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THE LEAGUE'S BUSINESS

Member of Council Receives Distinguished Honor. Miss Belle Sherwin of Cleveland, a member of our council for a number of years, and vice president of the National League of Women Voters in charge of the department of efficiency in government, has been elected president of that organization. Mrs. Maud Wood Parke, who succeeded Mrs. Carrie Chapman Catt, was compelled to relinquish the office because of ill health.

The National League of Women Voters has had a phenomenal development since 1920, the year which marked its beginning as an independent organization to assist women in the wise use of their votes. During this four-year period the annual budget of the national office has almost tripled. The organization has passed the dangerous introductory period and has proven its real vitality and right to survive.

In Miss Sherwin the National League of Women Voters has chosen a person with administrative capacity and with a thorough understanding of the subject matter. She will remain in charge of the department of education in government and politics. We look forward with pleasure to continued co-operation in related fields.

*

Can There Be an Ideal City Manager? The specifications for an ideal city manager are set forth as follows in an article by Joseph A. Cohen on City Managership as a Profession which will be published as a supplement to the July REVIEW:

> He would be one of a number of years' standing as such, a man of liberal education, a trained lawyer, a doctor of public health, an investigator into methods of municipal finance, a professor of educational administration, a first class municipal engineer, an authority upon the methods and principles of public safety administration, a lecturer on the structure of American government, and a man with an outstanding executive and co-ordinating talent such as can be attained only by considerable contact with the larger business activities. It is also well to note that the series of encyclopedic minds that began with Aristotle ended with Herbert Spencer.

Surely a successful manager earns his salary. Although no thoughtful citizen would expect to find all the above qualities combined in a single individual, the manager can expect public criticism if he is lacking in but one.

*

A New Committee on Non-Voting. The League, in co-operation with the National Association of Civic Secretaries, has organized a committee to study the trend of popular interest in elections since 1912. A number of observers have discovered a gradual fall in the vote in municipal elections covering the period in question and the committee intends to discover just what has happened, and why. Miss Evelyn B. Parker of Columbia University has been retained as special secretary to the committee.

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ZONING AND THE COURTS IN TEXAS

BY IRVIN STEWART
University of Texas

In Texas the law of zoning is developing along narrow lines and a constitutional amendment is thought to be necessary. :: :: ::

ALTHOUGH Texas is popularly considered a land of ranches and cotton farms, the contribution of the commission plan and the hearty acceptance of the city-manager plan have indicated an active interest in municipal government and problems. At present four hundred and fifty-five communities are incorporated under the cities and towns act, and of these more than sixty-five have populations in excess of five thousand, several of the largest having passed the one hundred thousand mark. It now seems wise for Texas cities to consider the proper lines of future development and to make provision for their growth according to definite plan. It has been more than ten years since Dallas began preparing a planned growth, and since that time a number of cities have adopted more or less comprehensive city plans, at least two of which were drawn up by Mr. George W. Kessler of St. Louis.

Little legal difficulty was anticipated. The supreme court held in 1890 that the city of Galveston might establish a municipal market and create a certain district within which the private sale of meats might be prohibited—even though the plaintiff had a market already established within those limits (*Newsom* vs. *City of Galveston*, 76 Tex. 559). Prior to 1913 the state legislature had granted special charters to the larger cities in the state and had been generous in the grant of powers to these. The adoption of the home rule amendment in that year set the cities with populations of five thousand or over in a class by themselves. The amendment itself was very short, guaranteeing to the cities the right to draft their own charters, but leaving the matter of details to the legislature and making provision for the compatibility of charter provisions and the general laws of the state. The enabling act passed by the next session of the legislature showed a very liberal spirit on the part of the legislators. A comprehensive, detailed enumeration of specific powers was preceded by the statement that "by the provisions of this act it is contemplated to bestow upon any city adopting the charter or amendment hereunder the full power of local self-government" and was

followed by "the enumeration of powers hereinabove made shall never be construed to preclude, by implication or otherwise, any such city from exercising the powers incident to the enjoyment of local self-government, provided that such powers shall not be inhibited by the constitution of the state."

THE DALLAS ORDINANCE

This was the general situation when in July, 1915, the city of Dallas, citing as its authority the police provisions of its charter giving the corporation the right to protect health, life and property; abate nuisances; preserve and enforce good government, order and security of the city; and to protect the lives, health and property of its inhabitants, passed the ordinance later involved in the case of *Spann* vs. *City of Dallas*. That ordinance defined a residence district as one in which there were more residences than business houses within three hundred feet of a proposed new building; and provided that no business house might be constructed in such residence district without the prior consent of three-fourths of the property owners of the district and the approval of the building inspector. If the applicant for a building permit could secure the permission of three-fourths of the property owners of the district, the inspector would issue the permit upon the production of a satisfactory design for the building.

Spann had purchased the property in question and had applied for a permit to construct a small grocery store thereon prior to the passage of the ordinance; but the inspector had informed him of the probable passage of the ordinance and had declined to issue the permit until after the ordinance had been acted upon. After the ordinance became effective, the permit had been definitely refused upon the request of the adjacent land owners. Spann immediately applied for an injunction to compel the issuance of the permit. The district court refused to grant the injunction and the court of civil appeals upheld the lower court in an opinion which held that the police power embraced "regulations designed to promote public convenience or the general prosperity or welfare, as well as those specifically intended to promote the public safety or the public health." With the possible exception of *Newsom* vs. *City of Galveston* the case was a new one for Texas, and the court had no opinions of the state supreme court on which to base its decision; principal reliance was upon definitions of police power by the supreme court of the United States. Though the plaintiff contended that the clause permitting adjacent property owners to consent to the erection of a business building in a residence district effectually denied the expressed purpose of the ordinance, the court was of the opinion that the tenor of the act indicated that such action of the owners was merely to assist the board of commissioners in determining whether or not the permit should issue.

POLICE POWER NARROWLY CONSTRUED

An appeal was taken to the supreme court, and on November 2, 1921, that tribunal handed down its decision, definitely overruling the two inferior courts. The court passed over the question of charter authority and paid no heed to the enabling act. In a lengthy opinion the chief justice discussed the nature of the police power and of property rights, and came to the conclusion that "It (ownership and use of property) is not a right, therefore, over which the police power is paramount. Like every other fundamental liberty, it is a right to which

the police power is subordinate." Several cases were distinguished on the ground of the peculiar nature of the business involved, the chief justice freely conceding that public health, safety, and comfort were superior to the property right of the individual; but the court ridiculed the idea of a residence grocery store being detrimental to any of these considerations. On the contrary, such institutions were public conveniences. According to the court the fact that three-fourths of the adjacent property owners might permit the construction of the store revealed the purpose of the ordinance; if the building was dangerous to the neighboring residents, it would not become less so by the consent of a percentage of property owners, many or all of whom might be nonresident. Likewise the court held that that portion of the ordinance giving to the building inspector the right to refuse to issue a permit because the design might not be pleasing to him was placing too much arbitrary authority in the hands of one man. While the two courts did not differ fundamentally in their definition of police power, the court of appeals stressed the idea of public comfort and convenience and the supreme court that of health.

BOARDS OF APPEALS ESTABLISHED

The opinion of the court was clearly contrary to wishes and aims of a large portion of the inhabitants of the state. While the court had the case under advisement, the legislature passed an emergency act amending the home rule act so that "for the purpose of promoting the public health, safety, order, convenience, prosperity, and general welfare" the governing authorities of home rule cities might pass zoning ordinances, and might establish a board of appeals or review to hear and decide appeals from the determination of the governing authorities under the provisions of the amended act. Meantime, other Texas cities called an abrupt halt in their city-planning operations.

Proceeding under the authority of the recent act, thirty days after the decision of the supreme court, the city commission of Dallas amended its ordinance to provide for the board of appeals and to eliminate the arbitrary power of the building inspector. The amended ordinance was attacked in the case of *City of Dallas* vs. *Mitchell* (245 S. W. 944, Nov. 15, 1922), a court of civil appeals case, after the board of appeals had sustained a decision of the city commission, reached after a hearing of the objections of adjoining owners, denying Mitchell a permit to build a grocery and drug store in a residence district. While it was shown that the proposed structure would comply with the building ordinances of the city, the commission had held that the structure would endanger the "health, safety, and welfare" of the community—although the facts showed that a similar structure was already in existence across the street opposite the proposed location. Between the times that the Spann and Mitchell cases arose, the legislature had specifically granted (so far as was within its power) the right to zone; the people of Dallas had by popular vote amended their charter to give the commissioners the right to zone; and a new ordinance designed to cure the defects of the earlier one had been passed. Under its terms the desires of three-fourths of the adjacent property owners were no longer the determining factor—the commission and the board of review were to conduct a hearing of the adjacent property owners solely to assist them in determining whether or not the presence of the proposed building would call for an exercise of the police

power; and unless the facts of the particular case showed that some one of the factors involved in that power demanded the witholding of the permit, the city could not legally refrain from granting it. While the city claimed that the new ordinance was passed to meet the objections raised by the supreme court in the Spann case, and that far from permits being arbitrarily refused, building was going on under its terms, the court of civil appeals was of opinion that the new ordinance was designed to "circumvent the decision of the supreme court on the former ordinance." Relying wholly upon the Spann case, the court granted an injunction compelling the issuance of a building permit. Clearly an act which was unconstitutional could not be validated by the mere passage of a legislative act. On February 7, 1923, the supreme court refused to grant an application for a writ of error.

Two other cases involving the same ordinance followed in quick succession. That of *City of Dallas* vs. *Burns* (250 S. W. 717) involved no new points and was decided by the court of civil appeals in the light of the Spann and Mitchell cases practically without comment. City attorneys of Austin, Fort Worth, Houston, Wichita Falls, and Sherman as *amici curiae* called the attention of the supreme court to the recent Kansas decision of *Ware* vs. *City of Wichita* (214 Pac. 99) and the interpretation there placed upon the Spann case; but that tribunal refused a writ of error. On June 13, 1923, the case of *City of Dallas* vs. *Urbish*[1] arose upon the refusal of the board of appeals, reversing the board of commissioners, to let issue a permit to construct a moving picture show in a residence district. Again the Spann case was invoked; and again the supreme court dismissed an application for a writ of error.

CITIZENS BEGIN ACTION

A slightly different turn was given the situation in the early part of 1923 when the city, giving up hope of putting its zoning plan in operation was preparing to issue permits for certain business structures in residence districts. Twenty-nine citizens sought to restrain the issuance of the permits for retail stores and gas and oil filling stations, and sought to enjoin ten co-defendants from using permits already granted. Plaintiffs alleged, and the truth of the allegations was admitted, that the construction of the proposed buildings would diminish the value of surrounding property by at least twenty-five per cent. On June 23, 1923, the court of civil appeals held that "there is no clearer rule in this state than that, if there be no public or private nuisance created in the use of property, no recovery of damages can be allowed for the diminution in value of the property by reason of the lawful use of such property made by a nearby owner." (*Marshall* vs. *Dallas*, 253 S. W. 887). And with the statement that the city had no right to refuse to do that which, under the Spann case, it was compelled to do, the court refused to grant the injunction. The supreme court dismissed an application for a writ of error on October 24, 1923.

Houston, Texarkana, Hillsboro,

[1] 252 S. W. 258. Application for writ of error dismissed October 17, 1923. The court stated that the city's contention that it had right to prohibit the construction of a picture show in a location where said show would "adversely affect the public health, safety, welfare, peace, etc." was beside the point, as the ordinance in question was not of that character. In the opinion of the court an ordinance leaving the final decision on the construction of a building to the "arbitrary will of the board of appeals, or the mere caprice" of adjoining property owners could not be a valid exercise of the police power.

Greenville and El Paso had zoning ordinances under consideration at the time of the Spann decision, but dropped them after that decision had been made public. Fort Worth, Wichita Falls, Amarillo, Denton, Palestine, Beaumont and Childress were attempting to enforce zoning ordinances when the supreme court's decision led to the granting of injunctions by the district courts, and to the subsequent repeal or nonenforcement of the ordinances. Since the Spann case was decided, the higher courts of the state have handed down opinions in five other cases involving exactly the same point. Six identical decisions within a period of two years can leave little doubt about the position of the Texas courts on zoning. There can be no dissent from the statement by the court in *City of Dallas* vs. *McElroy* (254 S. W. 599) to the effect that "It is now settled law that the city of Dallas and its officers are not warranted in refusing a property owner a permit to build a business house in a residential district merely on the ground that other property owners in the vicinity of the proposed building object, or upon the ground that the officials of the city deem it unwise to permit the construction of such buildings in such district."

Nothing short of a constitutional amendment will permit zoning to be carried on in Texas; and in the light of the state's experience with proposed constitutional amendments, one granting zoning powers to cities would have little chance of adoption. It seems that this will have to be one of the matters to be considered by the much discussed constitutional convention, so desired in many quarters, which may be called to meet at some time in an indefinite future.

THE LEAGUE OF MINNESOTA MUNICIPALITIES AND ITS ASSOCIATION WITH THE UNIVERSITY OF MINNESOTA

BY MORRIS B. LAMBIE
University of Minnesota

The organization and work of a successful State League of Municipalities.

LEAGUES of municipalities, of which the Minnesota group is one of twenty-one in this country, are not unique in purpose. They are merely a variation in the type of association which devotes group energy to the affairs of the municipal community. In similarity of program and intent they enjoy kinship with the National Municipal League, the bureaus of research and reference and all other public or private organizations formed for the express purpose of studying, discovering and promoting approved methods for administering the city and village.

The leagues, however, are quite distinctive in that they are organized to approach municipal problems from the viewpoint of the municipal officer rather than from the viewpoint of the private citizen. This may appear to be an over refined distinction for in

the last analysis official and unofficial interests are not so very far apart. Nevertheless students of human nature know that respective differences in outlook as well as introspect are so shaded that a type of research and informational association which satisfies a group of private citizens may not necessarily prove acceptable to a group of public officers. Consequently in process of adaptation the leagues have acquired unusual characteristics in form of organization, basis of membership, affiliations and mode of operation.

In calling attention to these special traits I am singling out the League of Minnesota Municipalities for illustration, not because it deserves special mention, but only by reason of familiarity with its history and methods. Other leagues maintaining direct connections with state financed universities in Kansas, Oklahoma, Illinois, Texas, Wisconsin, Michigan and Colorado would serve the purpose equally as well.

THE PUBLIC CHARACTER OF THE LEAGUE; THE BASIS OF MEMBERSHIP; AFFILIATIONS WITH THE UNIVERSITY

The League of Minnesota Municipalities has official public status both through basis of membership and affiliation with the University of Minnesota. The members are the 150 impersonal corporate cities and villages whose legislative councils have authorized the use of public funds for the enjoyment of privileges and service and the sharing of obligations. By necessity the league operates through the 1,600 personal mayors, clerks, councilmen, attorneys, engineers and health officers who are the principal elected or appointed officials in the several cities and villages, but in each instance the municipality holds the membership. Annual dues, varying from $15.00 for the community of less than 500 population to $75.00 for the city over 75,000, are assumed to be appropriated for a public purpose in the legal sense of the term. In order to avoid any doubt of legality the legislature recognizing the public services performed through the league passed an act in 1923 authorizing municipalities to incur this expenditure.

The relationship with the University of Minnesota also adds to the public status of the organization. The league, it should be understood, retains a separate identity. It has its own constitution and responsible officers and acts over its own name, but by custom the associations with the university are so generally accepted that for all practical purposes the two organizations are merged the one in the other. The University, through the initiative of Dr. Richard R. Price, director of the General Extension Division, was in fact responsible for organizing the league in 1913. Since that time Dr. Price, as a member of the executive committee and secretary-treasurer, has taken active part in guiding league policy. The bonds are furthermore strengthened through the direct connection with the Municipal Reference Bureau of the University General Extension Division whose secretary has always been executive secretary of the league and a member of the executive committee. This arrangement does not in any way impair the element of independence, for the league of its own volition assigns the bureau to be the central headquarters of the organization. In accepting this assignment the university offers the service of the bureau for the use of the cities and villages. Staff members, although paid from university funds, answer the inquiries submitted by municipal officials, edit and manage the league's magazine, *Minnesota Municipalities*, arrange meetings and conventions,

and act as the informational center for the twenty league committees.

The bureau in this dual capacity carries out league activities, and at the same time conveniently places the available university service at the disposal of the municipal officials. On problems of public health, engineering, finance, law, recreation, welfare and safety there are university specialists who within reasonable limits of time are willing to give aid and advice. There is, too, the political science department which affords invaluable service in connection with its Bureau for Research in Government. Through the director, Dr. William Anderson, professor of Municipal Government, reports have already been published upon City Charter Making in Minnesota, Home Rule in Minnesota, History of the Constitution of Minnesota and the Constitution of Minnesota Annotated, and other reports are in process. The research bureau is not officially associated with the league, but an interchange of interests is facilitated by having the staff members share the same suite of offices with the staff of the municipal reference bureau. Another link is established in that the secretary of the municipal reference bureau is also a member of the political science department. This interchange or interlocking of directorates works out for the advantage of all concerned.

Indirectly these arrangements afford opportunity to train students in the field of public service. A way is made clear for advanced or graduate students in the political science seminar and in courses in public administration to devote time to the preparation of reports on special problems of concern to the municipal official assuming that their work satisfies university requirements. Minnesota has not accomplished as much as the University of Michigan along these lines, but it is making a contribution. The league adds a portion to the training problem by creating two positions for staff assistants at stipends of $500 each. Appointments to these assistantships are given to graduate students in political science at the university who divide their time equally with the league and the political science department, working upon assignments that are in accord with the league program. One assistant at present is concentrating upon municipal indebtedness and the other upon state administration. The nature of their work and their supervision is not unlike that in the Training School for Public Service of the Institute for Public Administration in New York, although not as intensive. The assistants obtain a bird's-eye view of the public service and at the same time apply themselves to the thorough analysis of a single problem.

I mention these official arrangements, for we at the University of Minnesota who are working along these lines, while conscious of our limitations, are aware of the unusual opportunities afforded for direct practical service in problems of public administration. The academic agencies in the course of regular activities find it easy to offer their service and research facilities for the use of the municipal governments because of the convenience in methods of association. The municipalities receive a service performed by public officials employed at public expense. This element alone obliterates any thought of outside inquisitiveness or commercialism.

THE ACTIVITIES AND PROGRAM OF THE LEAGUE

The activities are divided into three broad categories: (1) the circulation of information, (2) arrangement of conventions and conferences, and (3) securing of legislation beneficial to the

communities and the opposing of injurious legislation.

CIRCULATION OF INFORMATION

This work involves answering inquiries upon subjects of administration, charters, health and sanitation, garbage and refuse disposal, budget and finance, engineering, recreation, taxation, judicial decisions, waterworks, lighting, paving, parks and the scores of other municipal problems. In gathering facts and experience the university personnel is available together with the library facilities of the municipal reference bureau and the Bureau for Research in Government. Connections are maintained with state departments, some of which like the State Board of Health have offices on the university campus within a stone's throw of league headquarters and others are at St. Paul, capitol, nine miles distance. The bimonthly magazine, *Minnesota Municipalities* (32–40 pages) is sent to 1,600 municipal officials containing reports, announcements, book reviews and notes and editorials. Special bulletins are distributed infrequently. One on "The Municipal Budget," the first in a series, was published last fall and two other bulletins on state administration and municipal indebtedness will be available in June. There are also the twenty committees composed entirely of municipal officials, with the chairmen chosen as one of the most representative officials for the respective committee assignments. And, perhaps most important of all by way of informational service, the league field agent, Mr. H. W. Gillard, an engineer, travels around the state in his automobile, visits the cities and villages and talks over league problems with the local officials who may be found at their daily tasks as lawyers, storekeepers, clerks, butchers, laborers or farmers. He answers questions on the spot if he can or if unable to give the exact information reports back to the league headquarters, where the problem is analyzed and a report prepared.

CONVENTIONS AND CONFERENCES

The annual convention is the event of major importance. On this occasion from 300 to 400 delegates from cities and villages hear and take action upon committee reports and plan, through the executive committee, the policies for the ensuing year. These conventions are partially of the inspirational type and partially matter of fact discussions on problems of the moment. There are the usual question boxes and open forums. Outside speakers and state officials of prominence are placed on the program. It is around this convention that the unity of the league is established. The meetings are held each year in different cities.

Informal meetings are also held from time to time at the university. This year the executive committee and chairmen of other league committees met jointly in session on two occasions. Last January the league coöperated with the Minnesota Tax Conference and held a two-day session at the university upon subjects of public finance and state administration. In May there will be a meeting on city plan. This phase of the work deserves greater development and in all probability meetings will be more frequent next year which happens to be a legislative year.

LEGISLATION

Legislation as ever is the greatest concern of the league. The old home rule problem is continually present and there are other interests hovering around city plan, taxation and indebtedness. Every other year, coincident

with the convening of the state legislature, a legislative conference is held at St. Paul at which formal action is taken upon propositions presented to the state legislature. At the meeting in 1923, 61 municipalities sent 163 delegates who went on record in favor of or in opposition to 40 subjects that had been submitted through the league's legislative committee. The subjects ranged from "State Reorganization" and the "State Budget" to "Speeding" and "Vacancies in Council Caused by Death of Aldermen." All members of the legislature and especially the members of committees on municipal affairs in the House and Senate were invited to attend and take part in the deliberations. However, only a few responded. After adjournment an official communication including the resolutions was sent to each member of the legislature and to the respective committees informing them of the league's stand on the subject discussed.

The league is not militant in matters of legislation. Only on rare occasions does it resort to publicity campaigns. Beyond the passing of resolutions it exerts no force which in any way may be associated with pressure. The league headquarters, however, keep account of the status of the bills on municipal legislation and render informational service to the cities and in some instances the Municipal Reference Bureau has actually drafted proposed bills. Infrequently members of the staff when requested or chairmen of committees appear before legislative committees, but on all occasions the league is careful to serve primarily as a clearing house for information or as a focal point around which measures requiring legislation may gather. The policy has been well described by the chairman of the legislative committee, Mr. Charles P. Hall, city attorney of Red Wing: "The league is not interested in any question as a political or party matter, but solely in so far as such question may concern municipal welfare. . . . It proposes to act as an informant to its members as to what legislation is under consideration, and then to transmit to the various committees of the legislature such views on the most important subjects as the members of the league may desire to have submitted. . . . The league, without being presumptuous, seeks to have weight with the legislature as an advisory force and to secure the respect of the legislature."

This policy, while requiring careful guidance on the part of the legislative committee, is advisable for three reasons. In the first place it undoubtedly is the most effective policy, at least it has brought good results. Secondly, the league has to be very careful not to create internal splits within its own ranks. Injurious aspects of politics may be turned loose among municipal officials in a state where there are great open spaces between existing political parties. A militant attitude even on matters of municipal legislation might easily be misunderstood. While the league is frank and outspoken in its own councils on specific problems of legislation, we believe that there is a total absence of unwholesome political influence at the present time. This absence provides one of the strongest attributes for impartial service. Thirdly, emphasis through publicity would in the nature of the instance automatically sever the university connection with the league.

The legislative program for this next year is an ambitious one. It already includes the advocacy of such issues as a city plan enabling act, state reorganization and budget proposals, amendments to the home rule provisions in the state constitution, a change in the present distribution of the gross

earnings tax, procedure for issuing municipal bonds, tourist camps, and municipal accounts. There will also be approximately thirty problems of lesser importance but of special concern to the single local community. It is around this program that the league committees and staff at the municipal reference bureau are concentrating attention preparatory to the next session of the legislature in St. Paul, January, 1925.

So it is that this particular league, and it is only one of many, while affiliated with the state university is organized as a nonpolitical coöperative association to obtain information upon phases of municipal administration. Its representatives perform public services in the strict sense of the term. In form of organization it adapts itself readily to the needs of officialdom. There is a purpose. "Cities," said L. C. Hodgson, ex-mayor of St. Paul and a former president of the league, "like individuals, cannot profitably and happily exist in isolation. Their destinies are intertwined. They must progress or fail together. Their problems are the same, and to be solved speedily and effectively the cities must all work together."

A NEW SCHEME FOR GOING VALUE

BY H. M. OLMSTED[1]

As prices recede, going value will assume greater and greater importance. :: :: :: :: :: :: :: :: ::

In the continual struggle between the municipalities and the public utility corporations over the value to be officially established as a basis for rate-making or acquisition, the concept of going-concern value, or "going value," still maintains a prominent position, and if prices continue generally to recede, leaving the reproduction cost theory less fruitful of high values, going value is likely to assume even a greater importance than now. The theoretical reproduction method has performed valiant service in swelling the rate base, but going value shows promise of being a more permanent device—at least so long as it can be argued to be positive rather than negative.

The methods of deriving going value are various and intriguing. The natural identification of going value with "good will" is usually ruled off the stage as being too great a strain on the forbearance of the public from whom emanates the good will, if any. Going value is, therefore, somewhat elusively described as the element by which the value of a system in successful operation exceeds that of a system complete except for the item of customers. Whether a system without customers would be worth the time, trouble and expense of constructing it seems somewhat doubtful, but it is usually regarded as worth at least whatever was spent to build it by the owners of its stocks and bonds. At this point going value steps in to add flesh to the bare bones—sometimes very substantial flesh.

The actual computation of the amount of such "value" has presented

[1] The author was associated with Dr. Delos F. Wilcox in the Minneapolis Street Railway Rate Case.

difficulties. Sometimes a percentage has been plucked from the air; but certain tribunals are literal-minded enough to require a semblance of reality, saying that going value for a public utility should be based on costs incurred and capable of measurement. To satisfy this need arose the idea of "development cost," and as fruitful a method as any was thought to be that of figuring out real or imaginary early losses, and property superseded by "changes in the art" or by other causes not deemed within the control of the companies. The supreme court, in *Galveston Electric Company* vs. *City of Galveston*, decided April 10, 1922, interfered with this field of research by failing to see how past losses can produce present value, so resort has been had to other methods.

EXAMPLE OF MINNEAPOLIS STREET RAILWAY

A very interesting example of modern processes of arriving at going value is presented in the case of the Minneapolis Street Railway Company before the railroad and warehouse commission of Minnesota, asking for a valuation and permanent rate of fare. The company had for a number of years past been seeking an increased fare, first from the city council, which gave it a one-cent increase, and later from the commission, when the latter was given jurisdiction. A valuation had been presented to the council in 1916 in which, on top of a total of $28,717,-032, described as "Cost to Reproduce Physical Property New," in which was included $7,426,485 for general overheads, discount on securities, working capital, and expenditures due to municipal improvements, there was added the sum of $5,311,462, described as "Capital invested in the Development of the Property." This amount was made up of $1,936,543 for "horse, steam and cable lines superseded by electric traction during the years 1890 and 1891" (put in at the estimated undepreciated cost, plus 15 per cent for overheads); $2,312,837 for "initial electric cars and power stations superseded by modern cars and power stations" (estimated in the same way); and $1,062,082 for "serviceable track removed and replaced on account of new paving ordered by the city" and on account of grade separation, and also track abandoned in the development of the system.

The 1916 valuation and the negotiations for a new franchise based on a modification of that valuation, were repudiated at a referendum in 1919, after a long and active campaign.

In 1921 the street railway company succeeded in transferring itself from the rate-making control of the city council to that of the railroad and warehouse commission of the state, and immediately applied for an emergency fare of seven cents and a permanent valuation. Appraisals were prepared by the company and by the city, both being presented to the commission in June, 1923.

"DEVELOPMENTAL COSTS"

The company's appraisal, bearing the transmittal date of June 1, 1923, included an item for going value of $6,000,000. The two bases discussed in this connection were "developmental costs," and "cost of placing the physical property in successful operation." As to developmental costs the detailed basis was practically the same as was the case with the 1916 valuation. Summarized it was as follows:

Horse, steam and cable lines	$1,878,007
Initial electric development	2,628,800
Track renewed before end of useful life	1,332,803
	$5,839,610

As to "cost of placing the physical property in successful operation," the following phrase occurs: "This cost of placing the physical property in successful operation is estimated to be not less than 10 per cent of the present day cost of the component parts of the physical property, amounting to not less than $4,500,000." No further figures were given.

The appraisal of which the above is a part was filed with the commission on June 5, 1923. The hearings proper, in which the company and city produced their witnesses and introduced their respective appraisals into evidence, began on October 8, 1923. At this time no mention was made of the "developmental cost" referred to above, and based on detailed figures relating to the horse-car and early electric lines, etc., constituting the 82 pages of Section 12 of the appraisal report. Whether the ignoring of this phase of the subject was influenced by the appearance of the Galveston decision, with its dictum that "past losses obviously do not tend to prove present values," between the time of the beginning of appraisal work in 1921 and the final hearings in the fall of 1923, was not divulged.

The company's later basis for going value was contained in the testimony of its consulting engineer, A. L. Drum, on October 10, 1923.

The first element was the cost of training the operating organization, three months of the present operating payroll being taken as a measure of this cost, giving $850,000.

THE "TUNING UP" COST

The next element was described thus: "The cost of placing in operation the cars and substations and track and car stations involves the trial operation for limbering up of the apparatus, which we generally call the tuning up of the machinery which has to go through a certain amount of test and trial operation before it is wise and safe to place it in service." This tuning up was placed at $150,000, which was stated to be on a reproduction-cost basis, but for which no details were given.

The testimony then went to the development of the traffic and schedules of the system, which for this purpose was divided into two halves of 106 miles each—one half comprising a central zone and the other a belt surrounding the center. As to the outer half, Mr. Drum testified that "it is my opinion that 60 per cent of the car miles operated for a period of two years will be devoted to the building up of the traffic and the development of the territory." This was based on results of operation on one outlying line of the system that had been operating about two years and showed an average of 3.11 passengers per car mile, whereas the system average was 7.8, which was taken as the standard, although necessarily it is a composite of some lines that are normally heavy and others that are normally light. As 3.11 is 40 per cent of 7.8, there was considered to be a 60 per cent shortage, which was taken as corresponding to excess car miles. On the line in question this would amount to 37,000 car miles per year per mile of track; applying this to the 106 miles in the outer belt gave 8,000,000 car miles over a two-year period. In the inner zone the problem was taken to be the ironing out of schedules rather than the creation of traffic. Here it was testified that the tendency of the company would be to start with schedules which after a year's experience would be found to be 25 per cent too high. This excess for a year was placed at 2,000,000 car miles, which combined with the 8,000,000 derived from the outer belt gave

10,000,000 car miles, representing $3,500,000.

The latter figure added to the $850,000 for training the organization and the $150,000 for tuning up gave $4,500,000, the "cost of placing the property in operation."

"CONSOLIDATION VALUE"

After these alleged costs, quite clearly estimated on a theoretical reproduction basis, the next consideration was "consolidation value." The Minneapolis company is owned by the same holding company that owns the St. Paul and the suburban lines, and free interchange of cars occurs over the combined system. Mr. Drum testified, "In my opinion the officers and departmental heads and superintendents on the consolidated system, the total payroll for which at the present time is about $287,000, would be required to that amount if the Minneapolis Street Railway system was being operated independently of the St. Paul system and the suburban system. As 40 per cent of that amount approximately is being paid by the St. Paul and suburban systems, or $115,000 of it is being paid by those two companies, the Minneapolis Street Railway Company in my mind is reaping that amount of saving through the consolidated operation. If the Minneapolis Street Railway system was operated independently of St. Paul, the four interurban lines that are now through routes between the cities would stop at the easterly city limits. That would necessitate the added lay-over time that is not included now in their schedule. That lay-over time in my opinion would amount to five minutes per trip which would be added to that waste. There are 566,000 trips on those four lines and five minutes a trip and the trainmen's wages of $1.08 per hour would make the cost of that lay-over $50,000 per year. The resulting saving of those two items alone in the more efficient operation of the Minneapolis Street Railway system would amount to $185,000 per year. . . . I capitalized that $185,000 at 8 per cent as representing the value of the consolidated operation which amounts to $2,000,000." The St. Paul system would have consolidation value claimed for it also, based on the same sort of factors.

The total of the foregoing elements was $6,500,000. The extra half-million was sloughed off, leaving the $6,000,000 as claimed in the appraisal report.

TESTIMONY OF COMPANY COMPTROLLER

Some time later D. J. Strouse, the comptroller of the company, was called upon to testify on going value. He introduced an exhibit which contained various detailed data and computations, which supported in a general way the testimony of Mr. Drum. A rather elaborate basis was laid for an estimated "cost of developing the present operating schedules." A hypothetical initial base schedule for the day on each existing line was set forth, on the supposition that the lines were created but had not yet been run and any experimental traffic data accumulated; it was then discovered that the total car miles resulting from this scheme were 4,527 more per day than the present schedule of 22,830. For a year, at 31.94 cents per car mile, this amounted to a "cost" of $527,760.80. To this was to be added an item of $560,700 representing 178 extra crews at $7.00 per day for fifteen months, at the end of which time this number of night crews, required by the initial schedules, could be hooked up with rush-hour tripper runs that had up to that time been assumed to require separate crews. Then as a measure of an additional saving that was con-

sidered as being due to the re-routing to balance the loads at the ends of the through lines, which would presumably follow after a year's experimental operation of the system, certain actual re-routings made by the company during a recent three-year period were taken and the car-mile saving per day, continued over a period of a year and a half, was translated into the sum of $438,699.47. These three items totaled $1,527,160.27 as the cost of developing schedules, whereas Mr. Drum, by his inner and outer zone method, had arrived at $3,500,000.

The discrepancy was strongly the other way in the matter of consolidation value, for whereas Mr. Drum had found $2,000,000 for this, by considering salaries and assumed lay-overs, Mr. Strouse arrived at $4,635,956, consisting of additional revenue estimated to be due to the combination of suburban and intercity lines with the local system; operating economies, including not merely salaries but also an estimated 10 per cent increase in power-plant and shop efficiency; an item of $600,000 unpaid indebtedness of a predecessor company; and an item for lay-overs, as to which Mr. Strouse was more conservative than Mr. Drum in assuming an additional lay-over per round trip only, instead of for each one way trip.

On the cost of the operating organization the two estimates agreed fairly well, the first one being $850,000 and the new one $820,212.91, set forth in considerable detail by departments, also including general advertising; 12½ per cent was added for labor turnover, contingencies, wasted operating materials, property destroyed, injuries and damages, etc.

No item for "tuning up" was included in the later estimate.

It will be noted that the basis orally testified to by Mr. Drum, and, in somewhat different form, presented in Mr. Strouse's exhibit, constitutes a shift from the historical development method where superseded property played a dominant part, as set forth in the full appraisal report, to the method of determining an alleged direct cost of establishing business, together with an appraisement of consolidation value. As to the cost of establishing the business, a casual inspection of the component items is enough to show these to be such costs as in the normal, actual development of the street railway system are considered a regular part of operating expenses, are paid for out of operating revenues, to whatever extent they are actually incurred, and that such will continue to be the case with any growing system. "Consolidation value" presents a somewhat different concept. It is not represented to be measurable by any costs incurred, but is frankly a capitalization of added earning power alleged to be due to the component companies being associated into one system. It is measured by savings and by added revenues (both capitalized at 8 per cent), and thus takes on the nature of a reward for efficiency considered to be due to the consolidation. It is at least debatable whether such efficiency is anything beyond what the companies are supposed to render, and hence whether any special reward must or should be granted; and if it is to be rewarded, whether instead of capitalizing the results the reward should not take the form of a component of the rate of return or a bonus to the managers, officials or others directly responsible for the increased efficiency. It might also be pointed out that the Twin City consolidation is over thirty years old, and that at least since 1900, when the records are available, the returns to the Minneapolis company have been very satisfactory. In the

"emergency" rate case in 1921 the company showed its earnings over operating expenses, depreciation and taxes to have been $31,431,316 for the 21-year period, 1900–1920; dividends paid on the capital stock of $5,000,000 —for which only $50,000 could be found to have been paid when issued— were $16,298,425, or an average of 15½ per cent per year. For this period, at least, any efficiency brought about when the companies were consolidated would seem to have been already handsomely rewarded.

Whether measured by costs or not, both elements of going value are fundamentally aspects of earning power and depend upon the very rates that are the matter to be determined.

Before leaving the subject, it seems appropriate to quote Federal Judge Hutcheson, of the Southern District of Texas, whose decision in the district court was affirmed by the supreme court, in the case previously referred to: "In short, when 'going concern' is stripped of its involvement and obscurity, its attractive names and titles, it presents itself on the one hand where the past record of the utility has been profitable, as nothing more than good will, which the courts have always refused to allow, and, on the other hand, where the past record has been unprofitable, as nothing more than an effort to capitalize errors and misfortunes, as to the impropriety of which the decisions of the supreme court are equally clear."

The foregoing has been presented in some detail as a concrete illustration of the groping on the part of public utility companies for something like a definite basis to support claims for going value. These particular propositions have as yet no other official weight than that they have been presented in evidence. In most utility cases where going value has been allowed as a separate item, a very specific basis, other than a round percentage of "physical value," has been lacking. It is probably for the better that detailed bases for going value should be presented, thus tending to make the matter more specific and even to strip it of the "involvement and obscurity" of which Judge Hutcheson spoke.

THE PAY-AS-YOU-GO PLAN

By GAYLORD C. CUMMIN
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The pay-as-you-go plan is costly for the taxpayer and ignores the wealth-producing capacity of wise public improvements. :: ::

Before beginning a discussion on its merits of the much discussed pay-as-you-go plan for financing public improvements, it will prove illuminating to touch briefly on the entire subject of such improvements, the reasons for making them, their character and their results, together with the various means of financing employed and the advantages and disadvantages of each.

There are two kinds of public improvements of a "permanent" nature. There are necessary and wise public improvements and unnecessary and unwise ones. Since evidently an unnecessary and unwise improvement should not be made at all, the discus-

sion of the most economical method of financing it would be foolish. Our discussion will, therefore, be understood to refer only to improvements which are wise and necessary.

THE WISDOM OF BORROWING

Necessary public improvements are those which fill a community need, whether it be street improvement, sewer, park, schoolhouse or city hall. To be wise the improvement must be a good investment for the community, *i.e.*, must furnish service or facility of a value in excess of the cost or must actually create wealth in excess of the cost, singly or in combination. Thus, the pavement of a street that should be paved, not only saves money in considerable amount for all using the street by reducing the actual cost of transportation, but it also adds value even greater than its cost to the property served, that is, creates wealth directly. A park not only is of indirect value to the community served—it also adds substantially to the value of surrounding property. A wisely designed and constructed city hall provides working quarters for the operating departments at a smaller annual cost than the annual rental which would be charged for similar space in private buildings. Unless a public improvement meets the test of paying direct or indirect returns in excess of the cost, it should not be made and therefore, should not be financed.

There is nothing financially unsound in borrowing money on bonds or notes in order to provide funds for worthwhile improvements, if the term of the bonds is less than the reasonable life of the improvement and if adequate provisions are made for paying such bonds at maturity either by the serial or the sinking fund method. If the improvement is necessary and wise it will either save the money or create the value to pay the debt and interest. It is not a case of "future generations paying," but of the improvement itself paying. Future generations only pay in an undesirable sense, for the "dead horses," the fifty-year bonds for ten-year improvements, the refunding bonds, the bonds where the earnings of the improvements were not used to pay for them during the life of the improvement, but where the future generation is left with a debt and no improvement. There is plenty of this kind of financial mismanagement in the country, but it should not be confused with the case of a properly financed improvement where bonds are issued, and where the burden on future generations is more than counterbalanced by the benefits and wealth created.

METHODS OF PAYING FOR IMPROVEMENTS

While all public improvements are paid for by direct or indirect taxes one of three general methods is generally employed, viz:

(1) All improvements paid for by taxes of the current year,
(2) All annually recurring improvements paid for from current taxes, and other improvements by the issue of bonds, or
(3) All improvements paid for by the issue of bonds.

The first two, because the second is really only a special case of the first, are called pay-as-you-go methods; the third might properly be called the pay-as-you-benefit method.

Advocates of the pay-as-you-go plan claim that it saves money as compared with financing by bond issue and that it discourages "extravagance." If the first claim is true, no more need be said; but if it should prove that pay-as-you-go is more expensive, then the bond method of financing the last claim

would have no standing. Very evidently any method of curbing a tendency towards extravagance by making it more difficult and more expensive to finance the improvements needed by a community is "cutting off the nose to spite the face"; it is simply another effort to accomplish automatically by law something that the public has neither the energy nor the nerve to fight out on its merits. The real question, then, is of the comparative economy of the pay-as-you-go method of financing.

PAY-AS-YOU-GO LOOKS ATTRACTIVE

On the surface this plan looks very attractive. By not borrowing money all payment of interest is saved. As this amounts to 200 per cent on a 5 per cent 40-year bond issue the saving seems large. It is true that the taxpayer must pay out more dollars for the same improvement to cover the principal and interest of a bond issue, but do these added dollars represent increased expense to the taxpayer? Let us look into the matter closely—why do we pay interest? Interest pays for the use of money during a fixed period. It has nothing to do with the cost of the improvement. Interest is what is paid for the "hire" of money, it is the "wages" of money. Now the rate of interest that must be paid is dependent primarily on the credit of the borrower. The better his credit, the lower the rate. The credit of a state or municipality is usually of the best. It commands a considerably lower rate of interest than the credit of an individual and an equal rate to that of the best industry. The state and municipality also enjoy an advantage that the individual and industry does not, namely, the income from securities of states or their political subdivisions is exempt from the Federal income tax. This feature plus the present high surtaxes on large incomes gives the public security an advantage in interest rate of about one per cent over the highest class rail or other security, and much more than that over the rate that would have to be paid by an individual. What we are really doing when we, as a community, borrow money on bonds is to substitute the community's credit plus its tax-exempt advantage for the individual's credit. The community can borrow more cheaply than can the individual taxpayer. If the community can defer a payment by sound financial methods for one year by paying 4½ per cent and save the taxpayer either from borrowing the money to pay his taxes at 6 per cent or giving him a year's use of his money on which he can earn 6 per cent, the taxpayer profits to the extent of 1½ per cent.

To the business man or industry that earns more than 6 per cent on its money the saving would, of course, be proportionally greater. The greater the length of time the payment is deferred, the greater the profit to the taxpayer.

The discussion of public finance rarely takes into account that the use of the taxpayer's money is worth anything to the taxpayer. The number of dollars that appear on the tax roll are alone considered and the fact is entirely lost sight of that an increased number of dollars on the tax roll may mean an increased number of dollars in the taxpayer's pocket. The pay-as-you-go plan is a notable example of this type of oversight. Its apparent economy is based upon the erroneous premise that the use of the taxpayer's money is worth nothing to the taxpayer. For example:

EXAMPLE OF ALTERNATIVE USE OF TAXPAYERS' MONEY

The cost of a $100,000 improvement paid for from current taxes is evi-

dently $100,000, but paid for from a 20-year serial bond issue bearing 4½ per cent does not cost more but *less than $100,000, i.e.*, $89,525 if we conservatively figure the use of the taxpayer's money as worth 6 per cent to him. To get the true cost to the taxpayer the present worth of each deferred payment, principal and interest, must be computed. Thus the first payment at the end of one year would be $5,000 principal, and $4,500 interest, a total of $9,500. But, as the taxpayer has had the use of his money for that year at 6 per cent, the present cost to him of that payment due one year hence is not $9,500, but only $8,950, *i.e.*, if he paid $8,950 at the beginning of the year he would be just as well off as if he paid $9,500 at the end. As compound interest gets in its mighty work in determining the present worth of a future sum, the present worth, or cost in this case, decreases more and more rapidly as the time increases. Thus, while the present cost of the $9,500 due in one year is $8,950, the present cost of the

$40,000 40-Year 5 per Cent Serial Bonds

Year	*Principal*	*Interest*	*Total*	*Present Worth*
1	$1,000	$2,000	$3,000	$2,820
2	1,000	1,950	2,950	2,590
3	1,000	1,900	2,900	2,380
4	1,000	1,850	2,850	2,175
5	1,000	1,800	2,800	2,000
6	1,000	1,750	2,750	1,835
7	1,000	1,700	2,700	1,675
8	1,000	1,650	2,650	1,540
9	1,000	1,600	2,600	1,410
10	1,000	1,550	2,550	1,290
11	1,000	1,500	2,500	1,190
12	1,000	1,450	2,450	1,090
13	1,000	1,400	2,400	995
14	1,000	1,350	2,350	910
15	1,000	1,300	2,300	835
16	1,000	1,250	2,250	765
17	1,000	1,200	2,200	700
18	1,000	1,150	2,150	635
19	1,000	1,100	2,100	580
20	1,000	1,050	2,050	530
21	1,000	1,000	2,000	485
22	1,000	950	1,950	440
23	1,000	900	1,900	400
24	1,000	850	1,850	365
25	1,000	800	1,800	330
26	1,000	750	1,750	300
27	1,000	700	1,700	275
28	1,000	650	1,650	250
29	1,000	600	1,600	225
30	1,000	550	1,550	205
31	1,000	500	1,500	185
32	1,000	450	1,450	165
33	1,000	400	1,400	150
34	1,000	350	1,350	135
35	1,000	300	1,300	120
36	1,000	250	1,250	110
37	1,000	200	1,200	100
38	1,000	150	1,150	90
39	1,000	100	1,100	80
40	1,000	50	1,050	70
Totals	$40,000 (1)	$41,000	$81,000 (2)	$32,425 (3)

$7,475 due at the end of the tenth year is only $4,175 and that of the $5,225 due in the twentieth year only $1,635.

Within the past year there has been rather wide publicity given to a pay-as-you-pave plan for financing highway construction in San Diego County, California, which is claimed to reduce the cost of construction at least 50 per cent as compared with the cost under a 5 per cent 40-year serial bond issue. Interest on the bonds is considered as part of the cost of construction, which it certainly is not. Pausing briefly to comment on the financial absurdity of issuing 40-year bonds for 15-year roads we will use their figures in detail to show by computing present values the apparent saving made by this "revolutionary" method, as against the real loss to the taxpayers of San Diego County. The bond issue is figured at 5 per cent, and as California is a high interest rate state the taxpayer's money will be figured as worth 7 per cent although 8 per cent would be nearer the truth.

Total (1) equals the cost on a pay-as-you-go basis, total (2) is the actual number of dollars that will be paid out for principal and interest during the 40-year period and the *apparent* cost of the bond issue method, total (3) is the actual cost of the improvement to the taxpayer by the bond issue method. The San Diego example uses a bond issue of $1,250,000 or 31.25 times $40,000 and by charging $20,000 for a bond election shows apparent savings of $1,313,000 by the pay-as-you-go method. The actual loss to the taxpayer is $236,720 − 20,000, or $216,720, as compared to the bond issue method. Thus goes another panacea.

Now let us consider the special case of appropriating from current taxes for an annually recurring amount of public improvements. Assume that a city has followed the practice of issuing $100,000 in 4½ per cent 20-year serial bonds each year for street improvements. It is evident that after twenty years of such a policy the annual payment will be $100,000, plus $4,500 interest. It looks, on the surface, like real economy to appropriate from current taxes 100,000 each year and save the interest, but what really happens?

We will assume that a city has been financing an annually recurring expenditure of $100,000 with 20-year 4½ per cent serial bonds and desires to compare the continuance of this policy with paying $100,000 per year direct from taxes. It is evident that under both plans the interest and principal on the serial bonds outstanding will have to be met, this being $147,250 the first year, and $5,225 the twentieth year. If the serial bond method is continued, the necessary payment each year in actual dollars will be $147,250. If the pay-as-you-go is started, it will be necessary to pay out $147,250, plus $100,000, or $247,250, the first year diminishing to $105,225 in the twentieth year, the payment not becoming less than that required under the serial method until the fourteenth year. This means, of course, that more actual dollars will have to be paid out in taxes for the first fourteen years under the pay-as-you-go than under the serial bond method.

As the principal and interest payments on the bonds outstanding at the start are common to both methods, they will offset each other in making a comparison of actual cost. Here again appears the factor of the value of the use of the taxpayer's money to him. Figuring the present value of future payments on a 4½ per cent serial bond basis with the taxpayer's money figured at 6 per cent, it was found above that a $100,000 bond cost the taxpayer only $89,525. Under the pay-as-you-go it would cost $100,000. There would

thus be an actual loss to the taxpayer of $10,475 each year under the pay-as-you-go plan as compared with the serial bond plan in this case also. This means that the inauguration of the pay-as-you-go plan is committing the community to a 10½ per cent loss on all future bond issues (on the assumption of 20-year 4½ per cent serials with the value of the taxpayer's money at 6 per cent as the alternative).

So much, then, for the purely financial aspects of the pay-as-you-go plan, but there is still another rather vital objection to it which affects the material condition of our communities. If only such improvements are made as can be financed direct from current income, there is grave danger that the community will be forced to do without many needed improvements which would pay for themselves many times over, just because the present tax roll cannot stand the strain. This would be regarded as a shortsighted and fatal policy by a private industry. Why, then, should it be looked upon as desirable for a public corporation? The fact is that the pay-as-you-go plan looks like a method for legislating economy in expenditures. It is impossible to substitute statute for brains or good judgment without inevitable loss. There is no such thing as an automatic self-acting scheme for preventing extravagance public or private. To deprive a community of a needed improvement within its means in order to follow a theory or discourage "extravagance" by making improvements cost more, is both foolish and expensive.

The most sound and economical way of financing public improvements is by the issue of serial bonds or notes of term less than the reasonable life of the improvements for which they pay. The only effective control for "extravagance" is intelligent, painstaking citizen and official scrutiny of proposed improvements.

To recapitulate briefly:

1. The pay-as-you-go plan of financing public improvements is far more costly to the taxpayer than any other financially sound method.
2. The pay-as-you-go plan for annually recurring improvements places a heavy burden on the present taxes and entails exactly the same losses that occur in the first case.
3. The pay-as-you-go plan neglects the wealth producing quality of wisely-made public improvements as a factor in paying the cost.
4. The pay-as-you-go plan only discourages "extravagance" by making it difficult and costly if not impossible to secure needed public improvements.

CHARLESTON BREAKS WITH THE PAST IN PUBLIC WELFARE WORK[1]

BY CARL E. McCOMBS, M.D.

Charleston's (South Carolina) charter dates from 1783. Her methods and ideals of public welfare administration were those of a century ago; but she has recently taken steps toward the establishment of new standards. :: :: :: :: :: :: :: ::

To understand public welfare administration in Charleston, as it existed at the time of this survey, it is necessary to keep clearly in mind the fact that the basis of to-day's city government is the charter of 1783, and that in its essentials the framework of government is still what it then was. About all the citizen of those days asked his government to do was to protect his life and property. Having done that he considered that the responsibilities of government had been met. Those capable of shifting for themselves were to be left to work out their own destiny and those who could not shift for themselves were to be put into institutions where they would be out of the way. For the administration of these necessary-to-protection measures, the citizen felt naturally that he could best rely on committees or boards of his fellow citizens, because, since no one had technical training in administrative procedures, "two heads were better than one." He had, moreover, distrust of "one-man power," and anything savoring of concentration of government authority and responsibility was frowned upon.

These ideas of the earlier community have largely determined municipal policy of Charleston with respect to public welfare. That government should take an active part in the adjustment of the social and economic relations of citizens has been regarded by many as a radical departure from the fundamental principles. Administration of municipal activities by unpaid boards and committees, composed of well-intentioned but often inexpert citizens, has been considered sound administrative practice. Institutional care of all those classed as unable to shift for themselves has been endorsed as the best way to deal with these liabilities. A sincere reverence for the social and political ideals of the leaders of former days has been a matter of more than mere sentiment. One may admire the loyalty of Charlestonians to their ancient modes and customs, but loyalty to tradition in the field of public welfare has meant the perpetuation of agencies, institutions and practices that are not and cannot be satisfactorily adjusted to meet to-day's social requirements. Charleston is decidedly and agreeably different from the typical American city, and the writer, at least, hopes that it always will be different. It is stimulating to find an American community with old world character and charm. But in order that Charleston may become something more than a mere storehouse of antiquities, architectural and in-

[1] The facts upon which this article is based were drawn from a recent survey of the city government of Charleston made by the staff of of the New York Bureau of Municipal Research. . . .

stitutional, it must recognize the responsibility of government to deal with the complex problems of modern social relations.

THE WELFARE PROBLEM

It was clear to the investigators from the very beginning of the survey that one of the most vital needs of the city was a more adequate and efficient organization for the prevention of disease, dependency and delinquency. The problem of constructing and setting in operation the administrative machinery necessary to accomplish this end was by no means one easy to solve. The hereditary conception of city government as the embodiment of police power needed to be changed; new ideals of public service had to be substituted for the ancient ideals of personal privilege; the public generally had to be convinced that many of its ancient customs and institutions were not entitled to the reverence and respect that had so long been accorded them; the long accepted policy of committing the administration of many essential welfare activities of the community to private agencies and institutions subsidized but uncontrolled by the city government had to be reconsidered; the responsibility for administration of strictly municipal welfare activities divided as it was among a number of highly respected but independent citizen boards and committees had to be more clearly defined and more definitely fixed. The argument for these radical departures from commonly accepted principles and practice was easy to develop from the facts available. The difficulty was rather one of selling a program to the community, which involved a considerable extension of government service into fields which had hitherto been regarded as private rather than public domain. It is to the credit of Charlestonians, however, that once the facts had been laid before them and the proposed program clearly outlined, the charge that Charleston had failed to meet its responsibilities for the public welfare was generally admitted, and proposals for a new alignment of social activities were given a fair hearing.

SOCIAL AND ECONOMIC CONDITIONS

Charleston is a city of about 70,000 population divided about equally between whites and negroes. Social and economic conditions among the negroes are steadily improving, thanks to the development of better opportunities for the education of negro children. The negro is still, however, in the main, dependent wholly upon his white master. Opportunities for the employment of negroes in business or trades which will guarantee them self-support and self-respect are lacking in Charleston, for the city has practically no large industries. The negro is not favored for employment in municipal work, although in many municipal services he could be efficiently used. For the same kinds of service rendered by whites, the salaries and wages of negroes are materially less. Equality in labor even of the lowest grade is no more possible than social equality.

Disease takes heavy toll of Charleston negroes, the general mortality rate being about double that of the whites. Because of the tremendously high infant mortality rate of negro babies, Charleston had in 1922 the highest infant mortality rate of any city of its class in the United States. Venereal disease is a major contributor to maternal and infant mortality and takes heavy toll of physical and mental competency of whites, as well as negroes. Tuberculosis and pellagra, both of which inevitably accompany economic incompetency and resulting low standards of living, compete with

venereal disease for first place in the death records. Negroes are badly housed, badly fed and badly paid when they are employed. They are unemployed much of the time because of physical and mental incompetence, lack of employment opportunity and their own shiftlessness. Under such conditions a high percentage of delinquency and dependency among them is unavoidable. Among the white people the same situation exists, but in less degree; the same conditions making for dependency and delinquency among negroes weigh heavily upon the whites.

EXPENDITURE FOR WELFARE WORK

Although Charleston is exceeded by only six of the fifty-six cities of its class in total expenditure for "charities, hospitals and corrections," and by only seven of these cities in per capita expenditure for such services, according to the report on the Financial Statistics of Cities by the United States Bureau of the Census, it has no municipal program of prevention of sickness, dependency and delinquency worthy the name. In spite of the fact that disease runs riot through the community, prevention of disease has been subordinated in the city's health work to the inspection of garbage cans, ash piles and rubbish heaps, choked drains, weeds in vacant lots, etc. Of the total budget of the city government for health purposes in 1923, almost one-third of it went for the salaries and expenses of a corps of nine sanitary inspectors, which represents by all odds the least productive service in municipal health departments. The old idea of government as a mere policeman is here exemplified at its worst. Charleston needs health education badly. The traditional belief that disease is the direct result of offensive odors, emanations from damp earth and piles of refuse, has not yet been completely dispelled. Only one trained nurse has been employed by the health department. In order to compensate to some degree for this incompetency in health education the city government has contributed $2,000 yearly, a pitiful sum, to the support of a private public health nursing association that is endeavoring to make some headway against disease.

THE CITY HEALTH DEPARTMENT

As an organization for disease prevention the city health department as it existed at the time of the survey represented the discarded health notions and theories of a past generation. The health officer, a physician with about twenty-five years' experience in health work in Charleston, has been for years a mere figurehead. His recommendations for improved health service and those of representatives of the United States Public Health Service who have studied health conditions in Charleston have been constantly ignored by those responsible for providing the means and measures to carry them out. The fact that the city board of health, which is supposed to determine and direct the health policy and program of the city, had held no meetings from February 7, 1922, to December 10, 1923, is indicative of the city government's attitude.

CITY HOSPITAL SERVICE AND COST

The city that fails to provide the necessary measures of disease prevention must, of course, take the consequences, and these were clearly reflected in the city hospital records. There is one public hospital subsidized in the amount of about $100,000 yearly by the city government. The management and control of the hospital is, however, vested in the Medical Society of South Carolina. The hospital is open to both white and colored,

free and pay. For the amount and character of public service rendered by the hospital $100,000 is not an extravagant sum; in fact it is much less than the city ought to pay, judged by the hospital's financial statements. The significant thing, is that although there has been a small increase in the city's population since 1917, there has been a relatively great increase in the demand for hospital service, and, what is even more noteworthy, the increase of free service has been out of all proportion to the pay service. In the period of 1917, 1918 and 1919, the war period and immediate post-war period, when wages were higher and employment opportunities for both whites and negroes much better owing largely to the increased activities of the federal government at Charleston, the total service of the hospital was about equally divided between those who paid full rates and those who paid nothing. But in 1920, 1921, 1922 and 1923, the hospital records reveal a quite different situation. Along with a generally increased demand for hospital service there was a tremendous reduction of the number of pay patients. Instead of the 50:50 ratio of free and pay patients of 1917, 1918 and 1919, we find in 1923 only 25 per cent of patients paying their way and 75 per cent supported wholly at public expense. It may perhaps be argued that the tremendous increase, both relative and actual, of free patients is due to the failure of the hospital authorities to prevent abuse of the free service by persons able to pay; it may be and is argued that the present situation is due to better education of the public in the advantages of hospital service and consequently fewer number of persons under private medical care. These and other arguments that might be advanced are plausible and perhaps more than merely plausible, but it is the writer's conviction based on an analysis of health conditions in Charleston, that the real reason for the increasing burden of sickness and its associate dependency, and for the increase of the city budget for "hospitals, charities and corrections," is to be found in the failure of the city government to prevent disease, and to promote economic independence by the measures that have been found effective in other cities.

CHILD CARE IN CITY INSTITUTIONS

A still more serious indictment of previous administrations of the city government in Charleston is their failure to deal intelligently with the city's dependent, neglected and delinquent children. Here again, we must look back for more than a century to discover the origin of to-day's policy. We find it in the establishment in 1790 of the Charleston Orphan House which, as its by-laws declared, "shall be established for the purpose of supporting and educating poor orphan children, and those of poor, distressed and disabled parents who are unable to support and maintain them." What the Charleston Orphan House was in 1790 it still is to-day, in the main, organically and functionally. Its policy with respect to the care of dependent and neglected children shows little more change than the solid, prison-like walls that surround the institution and the heavily-barred gates that cut off the children within from contact with the world outside. The institution houses about three hundred white children of both sexes, and of age from four to sixteen in the case of boys and four to eighteen in the case of girls. These children are admitted on the application of parents or guardians or poor law officers, and are "surrendered and legally bound to the institution." Once transferred to the custody of the institutional au-

thorities, the responsibility of parents and guardians ends—and apparently in many instances there is an end also of their interest in the children.

No criticism can be made that the physical welfare of children has been neglected. They were well nourished, and their health was carefully safeguarded. Within their walled enclosure they were given as good recreational opportunity as is possible, perhaps, for any group so confined. The school maintained by the institution was independent of any relationship to the public education system of the city. Its teachers were for the most part women past middle age, many of whom had themselves grown up in the institution. The instruction of children was uninspired, perfunctory and elementary. No adequate provision was made for the teaching of subjects that presumably might fit children for self-support when they were released. The girls were taught the simple routine of housekeeping, sewing and the like; the boys had an occasional opportunity to help the institutional mechanics. The extent to which the creative impulses of children were developed under the circumstances can be readily imagined. The bare, board floors, the painted and whitewashed walls of their dormitories, the bleak, colorless aspect of their classrooms and playrooms, and the sun-baked, grassless yards, were reflected in the apathetic, unanimated bearing of the children.

The citizens of Charleston have always been proud of the Charleston Orphan House. For more than a hundred and thirty years it has been administered honestly by an unpaid board of commissioners, elected by the city council, who have from the very beginning of the institution represented the best citizens of the community. In fact, membership on the orphan house board has been regarded as a recognition of citizen integrity and worth. Many of Charleston's most revered and honored citizens have served on this board and have devoted their lives to its service, and so criticism of the institution's policy and methods was not to be taken lightly. What the citizens of Charleston have failed to recognize is that the methods of child caring of a century ago are not the approved methods of to-day. Orphanages are happily disappearing. Homes for children no longer mean institutions where children can be herded together and their lives ordered to a pattern. "Home" care of children to-day means actually home care; it means keeping children in their own homes or placing them out in suitable foster homes where they may have the freedom and social contacts with other free children to which they are entitled. It can well be imagined that a proposal coming from an "outsider" to overturn a system of child care that has been so long established and so generally approved by citizens was not received with universal acclaim. But as the evidence developed that the child product of the orphan house made up a large percentage of the juvenile delinquents of the city, the situation assumed a different aspect.

As might be expected, the system of child care which finds its expression in the Charleston Orphan House is also exemplified in the other orphanages administered and supported in whole or in part by the city. The City Orphan Asylum, which accommodates about seventy white children of both sexes, has apparently followed the lead of the older institution. The same procedure of admission and discharge has been followed out, and there has been little difference in educational methods. The City Orphan Asylum is, however, conducted by Sisters of the

Catholic Church, though administered by a board appointed by the city council and financed mainly from public funds. It was explained that this plan was adopted in order to give the institution recognition as a public institution and thereby silence criticism that might be made of donations of public funds to strictly sectarian purposes. The situation has not, however, been changed by the nominal recognition of the institution as a municipal enterprise. From the standpoint of public policy, the maintenance by the city government of an institution sponsored and actually directed by church authorities is difficult to justify. It is fair to say, however, that this relation between the city government and the church authorities has been maintained for several years without friction and without public criticism. It must be said, also, that the child inmates of the City Orphan Asylum appear to have a much better time than those in the non-sectarian Charleston Orphan House. There is indeed something approximating home care and homelikeness in the former institution that is lacking in the latter. Nevertheless, its children are institutional inmates in all that the word implies as a characterization of the typical orphanage system.

Still another orphanage problem had to be considered—that of the Jenkins Orphanage or Industrial Home for Colored Orphans. This institution, founded and maintained almost single-handed by the Reverend Jenkins, a colored preacher, was in many respects the most interesting of the lot. Colored children from anywhere and everywhere were received at the Jenkins Orphanage with the consent of their parents and guardians. The mayor appointed a board of commissioners who were legally responsible for the administration of the institution, but since the city contributed only $3,000 for the support of its inmates, the city's responsibility was in fact merely nominal. The Reverend Jenkins ran the institution, and in order to secure sufficient funds to do so he was obliged to exploit the children. He obtained a little money from the operation by inmates of a printing shop, shoe repair shop, clothes cleaning and pressing shop, the sale of an institution newspaper, etc., but the chief source of revenue was from bands and orchestras of colored boys which toured the country and had even been taken on European tours. However one may deplore the exploitation of children for their own maintenance, it can at least be said of this institution that its product, making due allowance for fundamental differences in mental capacity, was far better fitted for self-support than the product of the more pretentious orphanages for white children. On the farms which are adjuncts of the institution, negro boys and girls have been taught farm occupations and given a taste of the pleasures of life next to nature. They have been taught useful trades in the institution's shops, and when they went out into the world they did not go entirely empty-handed. Their musical training may not have been of highest technical order, but the children of the Jenkins Orphanage did have an opportunity therein for self-expression that was denied the children of other orphanages better maintained.

THE JUVENILE WELFARE COMMISSION

Given a system of child caring that emphasizes institutionalism, there was naturally little opportunity for the juvenile welfare commission of the city to function efficiently. This agency which was of comparatively recent origin represented the first attempt on the part of the city government to

provide scientific study and treatment of the problems of juvenile delinquency and dependency. Although the members of the commission were thoroughly cognizant of local problems, their appropriation for salaried workers has been too small to permit intensive study of them. Since the care of dependent children has been almost wholly a responsibility of the various orphanages, the work of the juvenile welfare commission has been limited in the main to juvenile delinquency. That this is a most serious problem in Charleston was conceded by all. The chief of police stated that in his judgment the prevention and detection of juvenile delinquency in Charleston was more important than any other police activity. Since there was no proper place for the detention of juvenile delinquents, they were either paroled by the court in the custody of the juvenile welfare commission, which was inadequately equipped for parole and probation work, or they were jailed with other offenders. To complicate matters for the juvenile welfare commission, the police department had a women's bureau which assumed a certain responsibility in dealing with girl delinquents, and there was also a special "juvenile officer" appointed by the mayor and assigned to the police department who was held responsible for co-operation between the police and the commission. There was no juvenile court in Charleston, but the probate court was responsible for juvenile court functions. Under such a system of divided responsibility for the prevention and treatment of child delinquency and dependency, and in view of the inadequate financial support given it by the city government, the juvenile welfare commission has been sadly handicapped from its beginning. It has, however, been successful in setting up new ideals of community responsibility for child care and in developing co-operative effort on the part of a large number of private social agencies that formerly found little in common.

DAY NURSERY AND KINDERGARTEN WORK

In addition to the agencies and institutions for child care already described, several private agencies including a day nursery, so called, and three kindergarten associations were granted small sums of money by the city for charitable purposes. The day nursery was, however, not a day nursery in the commonly accepted understanding of the term; it was only another institution where about twenty-five small children, whose parents for one reason or another were incapable of caring for them, were kept—not by the day, but permanently until they could be returned to the parents or otherwise provided for. No responsibility for the administration of this institution was, however, assumed by the city government.

ADULT DEPENDENTS AND RELIEF WORK

The relief of adult dependents has been mainly institutional. The city maintains two homes for the aged and indigent, one for whites, another for negroes. Nothing was found particularly worthy of comment at either of these two institutions. They were typical of almshouses generally. Each had a board of commissioners elected by the city council and a superintendent appointed by its board. No outdoor relief was furnished directly by the city to dependent negroes, but once a week at the Charleston Home, the city almshouse for whites, there was a distribution of rations for white "outside pensioners." A ration comprised "one pound of butts and four pounds of grits or meal" and as many rations

were furnished the outside pensioner as there were members of the family to be fed. At the end of three months, the outside pensioner was examined by a member of the board who determined whether or not he should remain a pensioner for another three months. There was no competent investigation of the circumstances or needs of the pensioners nor any attempt to do anything more than fix their capacity for rations and right to them.

To supplement these relief measures the city contributed $1,500 annually to the private Associated Charities of the city, which represents a large number of private philanthropic agencies, chief among which is the Ladies Benevolent Society, said to be the first organization to do health nursing work in the United States. It is not surprising that in a city of Charleston's traditions, co-operative effort in philanthropy has made relatively little headway. There is a "confidential exchange" of information between the various relief-giving agencies, but as yet each prefers to deal with its own problems in its own way. Neither the Associated Charities nor the "Confidential Exchange" has been able to do more than make a beginning at the problem of public dependency in Charleston.

SITUATION SUMMARIZED

To sum up the situation, as it has been briefly outlined in the preceding paragraphs, the public welfare activities of the city government were at the time of the survey carried on by seven independent municipal boards or commissions, namely, the board of health, three boards administering orphanages, two boards administering homes for the aged and infirm indigents, the juvenile welfare commission, and seven other agencies privately administered but subsidized by the city, namely, the public hospital, the Public Health Nursing Association, the Associated Charities, a day nursery and three kindergarten associations. It was obvious that until these various agencies could be drawn together in a common program which would emphasize prevention of disease, dependency and delinquency, there was little hope of any radical improvement either in institutional policies or methods.

THE REORGANIZATION PLAN

The reorganization plan proposed as best calculated to produce this result was to abolish all existing municipal boards and commissions and transfer their powers and duties to a single board of health and welfare in charge of a department of health and welfare. This particular designation of the board was necessary in order to satisfy the public health law of the state, which decrees that there shall be "a board of health" in Charleston. Under this new board of seven members, including two women, appointed by the mayor and confirmed by council, it was proposed to establish two bureaus, namely, a bureau of health and a bureau of social welfare, each with a full-time director. The bureau of health, as planned, was to include all existing divisions of work plus a new division of child hygiene in which would be incorporated the private Public Health Nursing Association's staff of nurses. Provision was also made for the expansion of communicable disease work, particularly with respect to tuberculosis control. The bureau of social welfare was designed to include two divisions, a division of child care to take over the work of the juvenile welfare commission and a division of family social work. The latter division was intended to provide for investigation of all cases of public dependency and the determination of

the method of dealing with them. Trained social workers only were recommended for employment in the bureau of social welfare. It was further recommended that, given such an organization, the city discontinue all lump-sum subsidies to private social agencies of whatever nature, and that the city hereafter pay for such service as might be rendered by private agencies and institutions in behalf of proper public charges, at rates and under conditions to be approved by the board of health and welfare.

ADOPTION OF PLAN

The foregoing plan of organization, after considerable discussion in the press and in the city council, was approved by the council and an ordinance was passed that provided for the creation of the new board and department of health and welfare as recommended, and the abolition of all existing boards and commissions except the board of the Charleston Orphan House and the board of the City Orphan Asylum. Public sentiment and political and other considerations were apparently against the elimination of these two boards, although those most familiar with the modern methods of child care strongly advocated their elimination. While the new organization has been legally authorized, it has not yet been made effective. Apparently, considerable difficulty has been encountered in selecting the board. Several capable citizens who have been asked to serve as members of the board have declined the honor. Obviously, the new program is going to meet with considerable opposition from those who still hold that the old ideals are best, and who still consider the municipalization of public welfare an experiment. The opposition to the plan has been most marked among those who have for so many years endorsed the orphanage system. It was too much, perhaps, to expect that a system that has had public endorsement for more than a century could be reorganized in a fortnight. But Charleston has been thinking things over, and if nothing results from the survey except public discussion of the facts, the survey will have been well worth while.

GOVERNOR DONAHEY AND THE OHIO MAYORS

BY WILLIAM H. EDWARDS

One of the activities of Governor Donahey of Ohio should be of special interest to our readers. This is the vigorous exercise of his power to remove mayors of Ohio municipalities. :: :: :: :: ::

Prior to Governor Donahey's administration there were only three cases of the removal of a mayor of an Ohio municipality by the governor, although the governor was granted the power to do so in the Municipal Code of 1902. This code provides that the mayor may be removed in case of misconduct in office, bribery, gross neglect of duty, gross immorality or habitual drunkenness. The governor is empowered to remove a mayor after giving him notice of his intentions and affording him a full and fair opportunity to defend himself in a public hearing. The decision made by the governor after the hearing is final.

The first case of actual removal of a mayor was during the administration of Governor Harmon (Dem.) in 1911, when Mayor Atherton of Newark was removed. Governor Cox (Dem.) in 1919 removed the mayor of the city of Canton, Mr. Charles P. Poorman. Again, in 1921, Governor Davis (Rep.) removed the mayor of Newark (the son of the mayor removed by Governor Harmon in 1911) because of his laxity in the enforcement of the liquor laws. Governor Donahey, however, had been in office only a few weeks when he suspended the mayor of Massillon, and within less than five months he warned more than a dozen mayors that if they did not change their methods of conducting their offices they would be removed.

In following the interesting and often dramatic phases of Ohio's conflict between the state and the municipality, one should keep in mind the issues which underlie the controversy. The first question which arises is: Should the governor have the power to remove mayors in his state? Secondly: If the governor should possess this power, how should he exercise it? Another vital question which usually arises in connection with these two is whether the governor should be responsible for law enforcement in the municipalities of the state. Those who maintain that he should be responsible hold the theory that the central state authority should control or at least check the policies of the municipalities, especially since these city officials are charged with the double function of executing both state and municipal laws. It is not the purpose of this paper to give a final answer to these questions, but merely to describe the bitter struggle which has been going on in Ohio in an effort to solve them.

GOVERNOR DONAHEY HIMSELF

In order to understand the situation, one must know something of the character of Governor Donahey himself. His conduct as Ohio's executive has been characterized by prompt and vigorous action. Indeed, because of his rejection of so many measures passed by the Ohio solons at the last session of the legislature, he has been given the nickname of "Veto Vic."

At various times he has gone before the legislature demanding that it should either grant certain state departments, commissions and divisions sufficient power for them to fulfill their purposes, or else abolish them. His vehement denunciation of the Ohio Senate, and particularly of the president of that body is especially characteristic. In his first message to the legislature, he explained his stand on law enforcement in words which were unmistakable. He declared, "We should enforce all the laws of the state with equal vigor with the belief that the best way to secure the repeal of bad laws is by their strict enforcement." He has often made the statement that it is not left to his discretion to determine what laws should be enforced and what laws should not.

THE CASE OF MAYOR VOGT

On January 18, 1923, Governor Donahey suspended Mayor Herbert H. Vogt of Massillon for thirty days pending final removal or reinstatement. The governor charged Vogt with misconduct in office, nonfeasance in office, and gross and willful neglect of duty, and informed him that if he wished to answer the charges he might appear at the governor's office on February 13, 1923, at one o'clock. Mayor Vogt submitted a written statement to Donahey asking for dismissal of the charges and reinstatement as mayor. He maintained, in the first place, that the law providing for the removal of mayors by the governor was unconstitutional because it did not provide for summary process for the issuing of subpoenas for witnesses, nor for the payment of witness fees and other costs, nor for the authority to compel attendance of witnesses, nor for the swearing of witnesses and the taking of sworn testimony at hearings, nor for review in any judicial forum. In the second place, he maintained that he was denied a full and fair public hearing as provided by law, for neither the affidavits said to be on file with the governor nor the names of their signers were disclosed, and, moreover, the names of witnesses, who were alleged to have made some of the charges, were kept secret. He asserted, therefore, that he was unable to defend himself properly. He maintained, in the third place, that all charges in the statement of causes were untrue, that all statements of fact in the charges were false, and that, on the other hand, he had prosecuted all law violators.

In support of this third contention he discussed at length the large number of arrests made, declared that a considerable proportion of them were for liquor violations and asserted that all of them were made in spite of the inadequate police force and that the city council had refused his repeated requests for an adequate force. Furthermore, he pointed out to the governor that Columbia Heights, where so many murders had occurred, was not under his jurisdiction and that all murders occurring under his jurisdiction were promptly prosecuted. He stated that, on the other hand, he had made a vigorous fight for lower telephone rates and for the annexation of Columbia Heights in order that it might be given adequate police protection. He declared that before his reëlection in 1921 wide publicity was given to charges against him which were identical with those made by the governor and that, in spite of the electorate's knowledge of these charges and in spite of the vigorous campaigns of his Republican and Democratic opponents, he was reëlected by almost a majority of all votes cast. He insistently maintained that, because of the many reforms which he had attempted to bring about, the special interests concerned had

waged a virtual war against him ever since he had become mayor. They had made charges before Governor Harry Davis and before the city council, but without avail. They had also attempted to secure a commission form of government in order that he might be removed as mayor. He declared that he had resisted these attacks, not only because he considered them personal attacks, but because he considered them a blot upon the fair name of his city. In closing his statement he denounced the "base and false charges" of his "calumniators, who did not dare to disclose their identity." But the mayor's pleas before Governor Donahey were in vain; and after a final hearing on March 1, 1923, he was permanently removed from office.

Subsequently Vogt fought for reinstatement, taking his case before the Ohio supreme court. His attorneys maintained that the court could determine whether the evidence was sufficient to sustain the charges; and that the governor, under the law, was given far from arbitrary powers to remove mayors of municipalities. They maintained also that any action taken by the governor not in conformity with the laws and outside of his jurisdiction was void. Hence the mere filing of charges and granting of a hearing which did not produce any valid evidence was not sufficient for removal, and the removal of Vogt, therefore, was void.

The decision in this case, *Vogt* vs. *Donahey* was made June 28, 1923. The majority opinion, after citing the facts concerning the removal of Mayor Vogt, said, "We have examined the record and find the greater portion of the evidence to be either hearsay evidence or evidence relating to misconduct, nonfeasance or gross and willful neglect of duty during a term of office which had expired, all of which was wholly incompetent." Nevertheless, the decision held that inasmuch as the governor was the sole arbiter of the facts in such a case, the legislature having made his decision final, the court assumed that his judgment was based upon competent evidence, even if such was not disclosed. In denying the writs, the decision concluded that there was "some evidence tending to support" the charges, though the court declared it would not convict upon such a quantum of proof.

In connection with the charge that the mayor was guilty of misconduct in office in the selection of his chief of police and other police officers, an interesting point on home rule was advanced. The court declared, "It is sufficient to say that we know of no provision of law which authorizes the mayor to appoint his chief of police and other law enforcement officers—by and with the consent of the governor." The "appointment of police officers is purely a matter of local self-government, and, while the mayor of a city may be called to account for the conduct of such officers of which he has knowledge, he may not be removed from office by reason of the past history or the general character of such appointees." And the decision adds, "It is not the purpose of the provision of the constitution requiring the legislature to enact laws providing for the prompt removal from office of officers guilty of misconduct or of the legislature in the enactment of sections 6212–34, and 4268 of the General Code prior to the adoption of the constitutional provision, to invest the governor of the state or any other tribunal with a veto power upon the right of electors of the municipality to elect its own city officials, the right being to remove for cause, which cause must arise during the term and subsequent to the exercise of the power to elect vested in the electors of a municipality."

In addition to the majority opinion, there were two other opinions offered, one concurring and one dissenting. Chief Justice Marshall in his concurring opinion contended that the removal power was purely administrative and, therefore, immune from any subsequent judicial action. In his dissenting opinion, Justice Jones stated that "the great mass of the testimony against the mayor related to misconduct in a previous term and was therefore incompetent." The outcome of the matter was that the court denied both the quo warranto and mandamus writs and, therefore, Vogt's final efforts were unavailing.

SUBSEQUENT ACTION BY THE GOVERNOR

Following the removal of Vogt, Governor Donahey sent a series of warnings in rapid succession to mayors throughout the state. Up to July 11, 1923, five mayors were threatened with removal, and on that date, the governor sent letters of warning to the mayors of Chauncy, Logan, Haskins, Chagrin Falls, Put-in-Bay and Newark and also to the sheriffs of the counties in which these towns were located. All of these letters stated that the officials addressed must enforce the laws of the state with greater diligence, particularly the liquor and gambling laws. The governor referred to petitions from citizens' committees regarding conditions existing in the various communities, and requested weekly reports which would inform him what the officials had done and what they intended to do to improve conditions. He also asked for their coöperation in his attempt to drive the slot machines and other petty gambling devices out of the state, referring to his proclamation of May 23, 1923, in regard to gambling, and declaring that it was the duty of the officials addressed to assist him in eliminating conditions which tended to "demoralize our children," and to help him to make Ohio "a better state in which to raise our boys and girls." His policy of law enforcement was further shown in his letter to Mayor Post of Salem when he said, "I am not responsible for the law that calls upon the governor to remove derelict public officials, and I do not propose to make a police court of the governor's office, but unless you, within the next thirty days, appoint a new chief and purge your police department and make honest efforts to enforce the laws of our state, such steps will be taken as are incumbent on the governor." Again, in his letter to Mayor Grall of Lorain, he said, "You and I may not be responsible for the laws as they exist, but, as executives, having taken our oath of office, we must fearlessly do our full duty in the enforcement of the laws as we find them." He was particularly emphatic in his warning to Mayor Orr of Newark, who, it will be remembered, was the successor to Mayor Atherton, previously removed by former Governor Davis.

TRIAL OF MAYOR REESE

Although these numerous letters threatening mayors with removal were issued in rapid succession between March 16 and July 11 and caused much consternation, there had been no actual removals or suspensions since the Vogt case. On July 26, 1923, however, the governor sent a letter to Mr. William G. Reese, mayor of Youngstown, which contained a copy of a complaint, and of charges, and an order which suspended him for thirty days. The letter stated that, if the mayor desired to be heard in defense, he should appear at the office of the governor on Wednesday, August 22, 1923, at one o'clock. The statement of causes declared that the mayor was suspended because of charges that he

was guilty of nonfeasance, gross and willful neglect of duty and failure to enforce the laws relating to gambling, prostitution and intoxicating liquors.

The trial of Mayor Reese and Police Chief Watkins of Youngstown lasted until August 28, when Chief Watkins was removed under the provision of the recent Miller Prohibition Act, and Mayor Reese was reinstated. The *Dayton News*, a Democratic paper, owned by ex-Governor James M. Cox, declared in its issue of August 29 that the decision of Vic Donahey in the Youngstown case showed that he was convinced that the evidence proved that the mayor did all in his power to enforce the prohibition laws and that the chief had given most of his time to cases of robbery, burglary and murder. The governor according to this Democratic version of the situation, was subsequently denounced because he had emphasized enforcement of the liquor laws over the enforcement of laws to protect life and property. The *Dayton News* article stated also that Governor Donahey's decision in ousting the chief was a compromise with the dry league "after the prosecution had failed to disclose acts of corruption or misfeasance of a positive character against Watkins." Governor Donahey was criticised for being guided by political expediency rather than justice and law.

During the hearings Governor Donahey declared that the police chiefs of Ohio should be appointed and removed at the will of the mayor, who is directly responsible to the people. He explained that he discharged Chief Watkins in order that Mayor Reese might appoint a chief of his own choosing. If this was Governor Donahey's motive, the question arises as to whether a governor has the right to give the mayor the power to appoint his own chief of police, for the statutes of Ohio place the chief of police under civil service rules with the apparent purpose of preventing the mayor from exercising that power.

This was the last case of removal considered by Governor Donahey and it was stated in a press dispatch shortly after the Youngstown case that he was not going to suspend any more mayors for the present unless a flagrant case arose. The dispatch explained this decision by referring to the coming state and local elections and implied that the governor did not wish to be drawn into local factional politics. It predicted further that Donahey would issue a proclamation asking voters to show at the polls the sort of administration they desired. This press report indicated also that the governor felt that, if the people did not select proper mayors, it was not up to him to turn his office into a police court to hear charges against them. This reported attitude does not necessarily contradict Governor Donahey's idea of a governor's responsibility for the execution of laws by the mayor, but it does indicate that the duty is an unpleasant one, and that the removal of mayors is the consequence of negligence on the part of the electorate in choosing municipal officers.

GOVERNOR'S VIEW OF PRESENT LAW

It will be seen, therefore, that Governor Donahey's theory of the removal of mayors stands opposed to the opinions of other Ohio executives such as Governor Nash. A short time after the Municipal Code of 1902 was enacted Governor Nash was approached by a citizens' committee asking him to remove a mayor of a small town in southern Ohio. Their plea before the governor was that the mayor was a tramp who had wandered into the village and was placed as a candidate for mayor as a joke. As it happened

the tramp had been elected by a large plurality. The serious minded members of the community had then realized that the joke had been carried too far and they sought to have him removed. Governor Nash rejected the petition of these citizens on the ground that the people themselves had created this dilemma and it was up to them to get out of it the best way they could.

Further evidence that Governor Donahey is not thoroughly in sympathy with the present law providing for the removal of mayors by the governor has come to the writer from a member of the governor's official family who is thoroughly qualified to state the governor's exact feelings in the matter. According to this official, the governor believes that the present law has many crudities that should be corrected. For example, provision should be made to subpoena witnesses and the governor should not be required to act as both prosecutor and judge in the cases of removal. Governor Donahey has been led to this conclusion by his experience in the removal cases, for it is quite evident that after a governor has made his charges against a mayor and has suspended him on the basis of those charges, he would usually be tempted to maintain the charge in spite of all evidence presented to refute them, or that, at best he would resort to a compromise (as some think happened in the Youngstown case) in order to avoid recognizing his mistake and the falsity of his charges. But, although Governor Donahey seems to recognize many serious faults in the present law, he still believes that the governor should possess the power to remove mayors, or that, as a possible alternative, the state supreme court should exercise this power. But he does not believe that local courts should have the power of removal because they might be prejudiced by local political controversy.

PROS AND CONS ON THE SUBJECT

It will be seen, therefore, in looking back over the whole situation, that the arguments for investing the power to remove mayors of municipalities are as follows: First, because the governor is responsible for the execution of all state laws, he should have the power to remove all officials, including mayors, who enforce those laws. Second, the laws of the cities will be more diligently enforced when the officials feel they are subject to strict central control and supervision by the governor. Third, centralized supervision will tend to develop a uniform policy of administration throughout state and local affairs. This tendency toward centralization and uniformity is possibly the latest and most predominant tendency in this phase of American administrative law. It is maintained that when city executives violate state or national policy they should be removed. Many instances are cited by those who contend that the conduct of local officials should be controlled by the state when it is for the good of the state as a whole, and as indicated previously, the governor is held to be the logical authority to administer this centralized supervision. However, in cases where it is quite evident that the mayor is carrying out the desires of those who elected him, the problem is not quite so simple, for under such conditions the mayor will either coöperate with the governor in the enforcement of the law and thus oppose the desires of the citizens of the municipality, or he will heed the desires of the citizens of his city and oppose the demands of the governor. A fourth argument is that the governor, in exerting general state supervision, would not be embroiled in local politics

as the local courts would be. Finally, and perhaps most important, this plan affords the most prompt and efficient method of removing derelict officials.

On the other hand, we find that the arguments against giving the governor the power to remove mayors are as follows: First, a mayor is apt to be removed against the will of the residents of the city and because he is carrying out the will of those who placed him in office. The possibilities of conflict between local and state policy have already been considered. It is sufficient to say that under such circumstances, it is all but impossible for state administrative officials to impose a policy upon a hostile community. Second, the city is deprived of home rule in dealing with municipal problems. It is believed that the mayor should be responsible only to the electors of the city, and that in case the people wish him to be removed, the act should be performed by the local courts or by the electorate itself through the recall. Third, the mayors have not the same opportunity to defend themselves in the "hearings" before the governor that they would have were they to go before a judicial tribunal. This fact was clearly brought out by the Ohio Supreme Court when it declared that if the mayor had been heard by the court the case would have been set aside. Under such a statute there is always the possibility of the governor going off "half-cocked," as one of the leading Ohio democrats expressed it to the writer in speaking of the Vogt case; and in such a serious affair as the removal of a mayor, which involves the reputation of the accused, it would seem that the least that should be asked is that there should be some sort of provision to subpoena witnesses so that the charges could be based upon something more than hearsay evidence. There is always a possibility of miscarriage of justice when removal or recall of officials is based upon public opinion, which is often only partially crystallized. One of the members of the 1912 constitutional convention, Mr. Evans, brought out this point well in the debate. He said, "When a man is elected or appointed to office he has a property right in that office and receives the emoluments till his term expires. He ought not to be removed by any public clamor, and I think the only right way is to have a judicial tribunal." Finally, it is maintained that when the governor has the power of removal, there is greater possibility that the mayor will be removed at the demand of special interests or political factions against the will of the electorate. The case of the removal of Mayor Vogt has been cited by some observers as just such an instance.

When we consider these conflicting arguments we find that Governor Donahey's vigorous activities during his first year as governor of Ohio have given us some new and interesting evidence both for and against the removal of mayors by the state executive; but he has not solved the problem for us or for himself. It seems, indeed, that although he has not abandoned his principles, he has ceased to act upon them because of the burdens they entail, because of the ill-will they arouse and, perhaps, because of political expediency.

THE BONDED DEBT OF 201 CITIES AS AT JANUARY 1, 1924

BY C. E. RIGHTOR

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THE tabulation was prepared upon the same basis as in previous years. The primary purpose is to make available a statement of the total amount of bonds outstanding as a liability against the property in each city, classified by purpose; the sinking fund, similarly classified; the net total bonded debt; and the per capita net bonded debt. Within the five population groups recognized by the census bureau, the cities reporting are then ranked according to the per capita net debt. The data are as at January 1, 1924, unless otherwise noted.

The census bureau reports for 1922 a net indebtedness, including special assessments, temporary loans, and debt of every other character for the federal and all local governments of the United States, of $30,852,825,000, or a per capita debt of $283.77. Of this total, twenty-two and one-half billions are for the federal government, and $4,700,000,000 are for all incorporated places (cities over 2,500), the net per capita debt for the latter being reported as $70.80.

In the tabulation here given, however, special assessment bonds are omitted except when a general debt of the city. Further, the tabulation does not include temporary loans or other current debts reported by the census bureau, because there are usually offsetting current assets. It is not the object of the tabulation to show the net debt as may be stipulated for localities by state laws permitting the exemption of bond issues because they are revenue-producing or for other reasons. The approach in the tabulation is financial rather than legal.

One year ago, in the REVIEW for May, 1923, the debt figures for thirty-six cities were published. This year, the tabulation has been expanded to include 201 cities, and grouped according to the five population groups recognized by the census bureau.

The compilation is necessarily a condensed one, reciting totals only, and conclusions respecting any city may reasonably be drawn only when the supporting figures are analyzed. Further, in reporting per capita figures, it was deemed expedient to use the 1920 census figures, which obviously work a handicap toward such rapidly growing cities as Los Angeles, Detroit, Norfolk and others, as also for Atlantic City, which has a census population of 50,000 but increases to nearly 500,000 during the summer.

TREND OF MUNICIPAL DEBTS

In the absence of comparative data for the preceding year, there is no indication of the trend of municipal debt. "When there is nothing to compare, there is nothing to criticize." The popular impression that municipal debt is increasing, however, is borne out by a comparison of the gross debt for thirty-two cities reported in the accompanying table with the figures of those cities one year ago.

Exclusive of New York City, whose

debt increased $49,293,000 during 1923, the average increase for these cities was $1,450,000. Six of the thirty-two cities reported a reduction in their total debt. Municipal bond issues approximate a billion dollars annually, but maturities are not yet at that rate.

The per capita debt for the cities of the United States ranges from $258.62 for Norfolk to $10.96 for Quincy, Illinois, omitting Washington, which has only a few old bond issues outstanding. As might be expected, the tendency of debt is to increase with the population. The range for the Canadian cities reporting is from $363.05 per capita for Edmonton to $112.02 for Hamilton.

Detailed analysis of the figures discloses much of interest, such as the variation in number of political divisions of government reported, the growing practice of issuing serial bonds, the tendency toward pay-as-you-go financing, and so on. No information is attempted as to property assets offsetting the debt, the adequacy of sinking funds, debt limits and margins, and bond issues authorized but not issued.

A few general comments on these subjects are deemed worth while, however.

PARTICULAR CASES

New York City and San Francisco include the county debt, as the governments of the city and county are consolidated. Boston pays all the county debt. Portland bears 92 per cent of the port and dock debt and the same percentage of Multnomah County debt, while certain other bonds legally a debt of the city, but practically special burdens of projects, as the county interstate bridge bonds, $950,000, are omitted in this tabulation.

In many cities the city and school debt are kept entirely distinct, the schools being an independent political subdivision. In many such cases, the city officials have kindly furnished the figures of the school indebtedness. Not in all instances is the school district coterminous with the city, although the entire school debt is reported. In some instances, school bonds are an obligation of the state, as in Delaware, or of the county, as in Los Angeles, Macon and Wilmington, North Carolina. Comparisons with the previous year disclose that in some cities the school debt has increased, while the municipal debt has been reduced, as in Dayton, Hartford and Des Moines.

The general tendency favoring serial bonds as against term bonds is noted. Some states make mandatory serial issues, as the Massachusetts law of 1913. Similarly, many cities in other states report entirely or largely only serials,—Buffalo, Oakland, Bridgeport, San Antonio, Des Moines, Tacoma, Savannah, Butte, etc.

Chicago's school debt is low owing to the pay-as-you-go policy. Boston now builds schools from taxes, and Lansing has no school debt. Somerville taxes except for improvements having over a ten-year life.

As an "apology" for a large municipal debt, it should be noted that some cities have embarked extensively upon the municipal operation of utilities.

Detroit, San Francisco and Seattle have street railways, and Boston a rapid transit system. In addition to its street railway bonds, $15,809,400, Seattle reports $4,772,377 water bonds and $16,969,000 light and power bonds. Richmond reports $3,332,550 gas works bonds; Omaha and Duluth are also operating gas plants.

In the Canadian cities, Toronto reports utility bonds for water works, hydroelectric, street railway, housing, abattoir, exhibition buildings

and live stock arena. Edmonton reports a water works, electric plant, street railway, and telephone system.

Cincinnati has an interest in a steam railway having property adequate as security for its entire debt. Louisville owns the capital stock of the Louisville Water Company which is reported to be adequate to retire the entire city debt. Albany has an unusual condition in having a water sinking fund which exceeds the outstanding debt by $240,667, all bonds issued since 1908 for that purpose being in the sinking fund. Dubuque, instead of accumulating a sinking fund, is annually buying up old refunding bonds.

Milwaukee reports no sinking fund, all bonds being serials. However, the report of the common council for 1922 states that the public debt commissioners are considering a plan of amortizing the public debt by providing that certain interest and other sums shall be compounded until the total shall reach a sum approximately equal to three-fourths of the city's outstanding debt. Then three-fourths of the annual interest accruals may be used to pay instalments and interest on the public debt as it comes due and to finance permanent public improvements which are now financed by bonds. Eventually, it is hoped that the fund will own all outstanding city of Milwaukee bonds and there will be no necessity of levying an annual tax for debt purposes. It is estimated that by placing $300,000 in this fund annually, there will be an accrual of $4,000,000 in ten years, there being approximately $400,000 in the treasury to start the fund. The results of this study should be of general interest.

INFLUENCE OF DEBT LIMITS

Because of the increase in municipal debt, it becomes more and more of interest to know the margin under local debt limit laws and the amount of bonds authorized but not issued, although the figures were not collected this year. Further, some cities are finding it increasingly difficult to sell their bonds because of the marketing limit imposed by the New York law, which limits the investments in municipal bonds outside of that state to 7 per cent of any city's assessed valuation, exclusive of water bonds. It is pertinent to enquire when this law may be amended to exempt also such revenue-producing utilities as street railways, electric and gas plants.

The assessed valuation of the cities is omitted in this tabulation, but was reported in the tax rate compilation appearing in the December 1923 REVIEW. Reference to those figures makes possible the compilation of the ratio of bonded debt to assessed valuation.

Questionnaires were submitted to all cities over 30,000—247 cities in the United States and 13 in Canada. From the 260 cities, data adequate to tabulate were received from 201. It is regretted that it was necessary to omit the remaining 59 cities, because no replies were received or the information supplied was incomplete. It was particularly difficult to obtain from municipal officers data with respect to independent school districts, and too often, unfortunately, city officials were not informed about or interested enough to obtain the school data. Should the compilation of the bonded debt data be undertaken in 1925, it is to be hoped that replies will be forthcoming from all the cities, and possible errors this year be remedied.

BONDED DEBT OF 200 CITIES AS AT JANUARY 1, 1924

COMPILED BY THE DETROIT BUREAU OF GOVERNMENTAL RESEARCH, INC.

From Data Furnished by Members of the Governmental Research Association, Chambers of Commerce, and City Officials

City	Census, 1920	General improvement bonds	Public school bonds	Public utility bonds	Miscellaneous bonds	Gross total bonded debt	Sinking fund				Net total bonded debt	Per capita net bonded debt	Rank
							General improvement	Public school	Public utility	Total			
Group I													
Population, 500,000 and over													
1. New York, N. Y.[1]	5,620,048	$700,910,636	$34,742,534	$591,880,627	$3,198,242	$1,330,732,039	$192,625,062	.....	$50,872,439	$243,497,501	$1,087,234,539	$193.46	1
2. Chicago, Ill.[2]	2,701,705	117,365,400	75,000	4,995,500	.....	122,435,900	.....	.....	.....	.....	122,435,900	45.32	11
3. Philadelphia, Pa.[3]	1,823,779	173,479,810	28,587,000	61,729,190	.....	263,796,000	.....	.....	.....	62,037,168	201,758,832	110.63	7
4. Detroit, Mich.[3a]	993,678	61,670,216	35,958,100	42,535,114	.....	140,163,430	6,468,191	$4,837,500	1,394,168	12,699,859	127,463,571	128.28	5
5. Cleveland, Ohio	796,841	73,303,124	30,211,000	32,966,808	.....	136,480,932	12,695,950	2,945,000	3,128,000	18,768,950	117,711,982	147.72	3
7. Boston, Mass.[4]	748,060	67,777,951	15,705,500	41,407,700	.....	124,891,151	.....	.....	.....	42,774,921	82,116,230	109.77	8
8. Baltimore, Md.[5]	733,826	83,535,760	.....	28,029,600	8,425,700	119,991,060	27,277,352	.....	6,960,916	34,238,268	85,752,792	116.85	6
9. Pittsburgh, Pa.	588,343	35,144,200	16,169,900	8,679,300	.....	59,993,400	2,039,347	1,482,136	518,475	4,039,958	55,953,442	95.10	10
10. Los Angeles, Cal.[6]	576,673	17,168,487	30,471,392	45,421,350	17,786,000	110,847,229	4,003,626	.....	3,900,881	7,904,507	102,942,722	178.51	2
11. Buffalo, N. Y.	506,775	24,505,840	17,381,000	14,963,741	.....	56,850,581	3,153,061	.....	2,251,583	5,404,644	51,445,937	101.51	9
12. San Francisco, Cal.	506,676	22,177,600	6,650,000	39,711,000	.....	68,538,600	1,045,600	375,000	1,101,000	2,521,600	66,017,000	130.29	4
Group II													
Population 300,000 to 500,000													
13. Milwaukee, Wis.[7]	457,147	18,586,850	7,085,250	2,020,000	1,341,200	29,033,300	.....	.....	.....	.....	29,033,300	63.51	6
14. Washington, D. C.	437,571	4,589,250	.....	.....	.....	4,589,250	4,423,641	.....	.....	4,423,641	165,609	0.38	8
15. Newark, N. J.	414,524	28,822,000	14,314,200	10,821,000	.....	53,957,200	5,811,052	2,297,490	1,880,091	9,988,633	43,968,567	106.07	3
16. Cincinnati, Ohio[8]	401,247	55,562,205	10,241,200	14,969,230	21,332,000	102,104,635	16,223,540	1,522,330	8,348,261	26,094,131	76,010,504	189.43	1
17. New Orleans, La.[9]	387,219	17,728,216	.....	20,000,000	.....	37,728,216	.....	.....	.....	.....	37,728,216	97.44	4
18. Minneapolis, Minn.[10]	380,582	20,583,345	17,844,000	1,880 000	.....	37,197,757	.....	.....	.....	3,643,416	36,663,929	96.33	5
19. Kansas City, Mo.	324,410	12,301,000	10,991,000	.....	.....	23,292,000	3,806,401	3,579,565	.....	7,185,966	16,106,034	49.65	7
20. Seattle, Wash.[11]	315,312	9,302,023	9,270,000	37,550,777	.....	56,122,800	215,008	168,958	245,392	629,358	55,493,442	176.00	2
Group III													
Population 100,000 to 300,000													
22. Jersey City, N. J.[12]	298,103	19,799,199	13,720,500	14,693,254	.....	48,212,953	5,746,970	.....	3,415,650	9,156,620	39,056,333	131.01	5
23. Rochester, N. Y.	295,750	9,872 400	9,840,480	11,174,000	.....	30,886,880	1,013,970	515,177	2,339,515	3,868,662	27,018,218	91.35	18
24. Portland, Ore.[13]	258,288	8,727,500	2,203,500	20,985,000	.....	31,916,000	648,674	.....	2,584,701	3,233,375	28,682,625	111.05	10
25. Denver, Col.	256,491	260,000	8,500,000	14,523,600	.....	23,283,600	162,640	.....	11,000	173,640	23,109,960	90.10	19
26. Toledo, Ohio	243,164	21,654,244	11,137,000	2,063,000	.....	34,854,244	4,813,347	1,327,285	.....	6,140,632	28,713,612	118.08	7
27. Providence, R. I.[10]	237,595	16,090,000	5,500,000	7,578,000	.....	29,168,000	.....	.....	.....	13,300,225	15,867,775	66.78	29
28. Columbus, Ohio[14]	237,031	16,734,316	8,994,500	9,004,500	.....	34,733,316	9,335,593	1,745,390	.....	11,580,983	23,152,333	97.67	17
29. Louisville, Ky.[15]	234,891	12,625,500	1,966,400	1,079,000	.....	15,670,900	2,006,423	.....	286,173	2,292,596	13,378,304	56.95	32
30. St. Paul, Minn.[12]	234,698	10,348,000	4,901,000	5,007,000	.....	20,256,000	966,793	.....	952,983	1,919,776	18,336,224	78.13	24
31. Oakland, Cal.[7]	216,261	3,007,767	6,715,746	.....	1,629,292	11,352,805	.....	251,247	.....	251,247	11,101,558	51.33	36
32. Akron, Ohio	208,435	12,290,049	7,708,164	10,454,000	.....	30,452,213	506,413	176,494	1,070,523	1,753,430	28,698,783	137.69	3
33. Atlanta, Ga.[10]	200,616	4,699,000	4,074,000	3,105,000	.....	11,878,000	.....	.....	.....	2,041,950	9,836,050	49.03	40
34. Omaha, Neb.[16]	191,601	13,976,288	8,491,000	.....	.....	22,467,288	.....	.....	.....	.....	22,467,288	117.26	8
35. Worcester, Mass.	179,754	5,082,000	1,694,500	5,216,100	.....	11,992,600	1,995,712	236,435	2,100,148	4,332,295	7,660,305	42.62	41
36. Birmingham, Ala.[10]	178,806	5,807,500	4,266,000	155,000	.....	10,228,500	.....	.....	.....	348,825	9,879,675	55.25	34
37. Syracuse, N. Y.	171,717	8,119,563	5,499,457	4,200,000	.....	17,819,020	.....	.....	.....	.....	17,819,020	103.77	13

38. Richmond, Va.	171,667	19,194,835	3,385,395	6,771,050	.....	29,351,280	4,151,415	738,281	1,475,981	6,365,677	22,985,603	133.90	4
39. New Haven, Conn.[10]	162,537	8,724,000	908,000	.....	.....	9,632,000	.....	.....	.....	548,509	9,083,491	55.88	33
40. Memphis, Tenn.	162,351	13,388,200	4,238,000	7,510,000	.....	25,136,200	485,672	409,355	172,781	1,067,808	24,068,392	148.24	2
41. San Antonio, Te.x[10]	161,379	6,945,000	3,475,000	.....	.....	10,420,000	.....	.....	.....	466,136	9,953,864	61.68	30
43. Dayton, Ohio	152,559	7,376,780	4,575,000	2,156,000	.....	14,107,780	1,812,500	72,000	377,800	2,262,300	11,845,480	77.64	25
44. Bridgeport, Conn	143,555	8,432,000	2,315,000	.....	.....	10,747,000	.....	.....	.....	.....	10,747,000	74.86	27
45. Houston, Tex.[17]	138,276	11,941,000	2,420,000	815,000	2,637,500	17,795,500	2,040,933	615,129	347,826	3,003,888	14,791,612	106.97	11
46. Hartford, Conn.[18]	138,036	5,478,481	6,930,084	4,350,000	.....	16,758,565	1,374,683	358,155	369,416	2,102,254	14,656,311	106.18	12
47. Scranton, Pa.[19]	137,783	2,263,000	.....	.....	.....	2,263,000	192,031	.....	.....	192,031	2,070,969	15.03	43
48. Grand Rapics, Mich.	137,634	2,173,600	3,220,100	2,335,000	.....	7,728,700	486,109	.....	315,398	801,507	6,927,193	50.33	39
49. Paterson, N. J.	135,875	4,505,998	4,839,500	.....	.....	9,345,498	1,473,545	710,738	.....	2,184,283	7,161,215	52.70	35
50. Youngstown, Ohio[19]	132,358	10,156,977	.....	.....	.....	10,156,977	.....	.....	.....	.....	10,156,977	76.73	26
51. Springfield, Mass.	129,614	5,827,700	4,530,300	1,235,000	.....	11,593,000	109,357	584,194	.....	693,551	10,899,449	84.09	21
52. Des Moines, Iowa	126,468	5,957,997	4,164,700	4,625,000	.....	14,747,697	400,985	156,078	.....	557,063	14,190,634	12.21	9
53. New Bedford, Mass.[20]	121,217	8,518,000	3,330,000	2,540,000	52,000	14,440,000	620,947	185,000	1,420,000	2,225,947	12,214,053	100.76	14
56. Nashville, Tenn.[10]	118,342	7,790,000	1,244,000	2,919,000	.....	11,953,000	.....	.....	.....	265,100	11,687,900	98.96	16
57. Salt Lake City, Utah	118,110	3,459,500	3,616,000	2,762,700	.....	9,838,200	36,000	230,000	.....	266,000	9,572,200	81.04	22
58. Camden, N. J.	116,309	6,007,725	3,311,750	1,264,150	.....	10,583,625	1,703,425	185,000	73,150	1,961,575	8,622,050	74.13	28
59. Norfolk, Va.[21]	115,777	13,979,276	4,345,573	535,188	5,524,463	32,384,500	.....	.....	.....	2,442,114	29,942,386	258.62	1
60. Albany, N. Y.	113,344	7,036,813	3,054,020	1,739,250	.....	11,830,083	890,729	.....	1,979,917	2,870,646	8,959,437	79.05	23
61. Lowell, Mass.	112,759	3,437,960	2,312,250	253,750	.....	6,003,960	224,478	.....	.....	224,478	5,779,212	51.25	37
62. Wilmington, Dela.	110,168	8,378,650	270,000	1,440,000	.....	10,008,650	274,000	.....	.....	274,000	9,814,650	89.09	20
63. Cambridge, Mass.[22]	109,694	8,026,100	.....	1,435,500	.....	9,461,500	.....	.....	.....	3,862,802	5,598,698	51.04	38
64. Reading, Pa.[23]	107,784	1,997,000	1,651,800	329,000	.....	3,977,800	36,547	268,168	18,620	323,335	3,654,465	33.91	42
66. Spokane, Wash.	104,437	4,671,000	1,977,000	680,000	.....	7,328,000	920,357	409,280	8,500	1,338,137	5,989,863	57.35	31
67. Kansas City, Kan.	101,177	3,879,153	2,867,000	4,745,100	.....	11,491,253	.....	11,000	397,580	408,580	10,082,673	99.65	15
68. Yonkers, N. Y.	100,176	5,455,313	4,469,590	2,841,500	351,200	13,117,603	.....	.....	.....	.....	13,117,603	130.95	6
Group IV													
Population, 50,000 to 100,000													
69. Lynn, Mass.[10]	99,148	$2,468,400	$1,880,000	$1,514,000	.....	$5,862,400	.....	.....	.....	$364,787	$4,997,613	$50.40	38
70. Duluth, Minn.	98,917	2,926,000	2,675,000	3,644,000	.....	9,245,000	$340,083	150,000	.....	490,083	8,754,917	88.51	16
71. Tacoma, Wash.[24]	96,965	2,897,000	870,000	4,311,395	$405,000	8,483,395	904,405	121,520	$317,662	1,343,587	7,139,808	73.61	22
72. Elizabeth, N. J.	95,783	738,500	3,210,850	.....	.....	3,949,350	112,701	245,040	.....	357,741	3,591,609	37.50	51
73. Lawrence, Mass.	94,270	3,052,060	1,956,500	156,000	.....	5,164,560	278,483	.....	13,478	291,961	4,872,599	51.68	37
74. Utica, N. Y.[10]	94,156	3,423,616	1,986,577	.....	.....	5,410,193	.....	.....	.....	437,069	4,973,124	52.81	36
75. Erie, Pa.	93,372	3,827,487	3,082,000	230,013	.....	7,139,500	338,466	.....	161,714	500,180	6,639,320	71.16	26
76. Somerville, Mass.	93,091	898,500	845,000	.....	.....	1,743,500	.....	.....	.....	.....	1,743,500	18.72	61
77. Waterbury, Conn.	91,715	8,712,000	2,426,000	.....	.....	11,138,000	235,000	.....	.....	235,000	10,903,000	118.88	10
78. Flint, Mich.	91,599	5,154,225	4,455,000	2,806,000	.....	12,406,225	.....	.....	125,000	125,000	12,281,225	134.07	5
79. Jacksonville, Fla.[19]	91,588	3,689,500	.....	1,862,500	2,352,000	7,904,000	.....	.....	.....	1,044,750	6,859,250	74.89	20
80. Oklahoma City, Okla.[10]	91,295	4,665,000	5,548,800	5,715,000	.....	15,928,800	.....	.....	.....	2,549,270	13,379,530	146.55	3
81. Schenectady, N. Y.	88,723	3,577,400	2,978,300	65,000	.....	6,620,700	73,942	.....	65,000	138,942	6,481,758	73.06	23
82. Canton, Ohio	87,091	4,829,949	6,311,899	1,950,937	.....	13,082,785	2,000,000	127,748	.....	2,127,748	10,955,037	125.78	8
83. Fort Wayne, Ind.	86,549	907,000	2,062,000	.....	.....	2,969,000	69,631	.....	.....	69,631	2,899,369	33.50	53
84. Evansville, Ind.	85,264	1,421,600	1,761,100	797,000	.....	3,979,700	105,218	.....	.....	105,218	3,874,482	45.44	43
85. Savannah, Ga.[25]	83,252	3,455,500	.....	.....	150,000	3,605,500	.....	.....	.....	195,000	3,410,500	40.96	47
86. Manchester, N. H.	78,384	3,045,832	2,566,168	60,000	.....	5,672,000	250,000	.....	.....	250,000	5,422,000	69.18	27
87. St. Joseph, Mo.	77,939	1,292,850	1,288,000	.....	.....	2,580,850	152,850	236,323	.....	389,173	2,191,677	28.12	55
89. El Paso, Texas	77,560	3,348,000	1,742,000	1,512,000	.....	6,602,000	.....	.....	.....	979,860	5,622,140	72.49	24
90. Bayonne, N. J.	76,754	2,668,316	3,190,560	4,155,182	.....	10,014,058	892,987	801,924	4,691	1,699,602	8,314,456	108.32	12
91. Peoria, Ill.[26]	76,121	864,877	819,000	.....	25,000	1,708,877	73,000	.....	21,000	94,000	1,614,877	21.21	59
93. San Diego, Calif.	74,683	4,023,191	2,889,000	7,922,834	.....	14,835,025	603,061	.....	.....	603,061	14,231,964	190.56	2
94. Wilkes Barre, Pa.	73,833	2,056,600	659,000	.....	.....	2,715,600	133,660	.....	.....	133,660	2,581,940	34.97	52
95. Allentown, Pa.	73,502	1,126,100	2,338,600	137,900	.....	3,602,600	84,073	383,034	27,184	494,291	3,108,309	42.28	45

BONDED DEBT OF 200 CITIES AS AT JANUARY 1, 1924—*Continued*

City	Census 1920	General improvement bonds	Public school bonds	Public utility bonds	Miscellaneous bonds	Gross total bonded debt	Sinking fund				Net total bonded debt	Per capita net bonded debt	Rank
							General improvement	Public school	Public utility	Total			
Group IV—(Continued) Population, 50,000 to 100,000													
98. Troy, N. Y.	72,013	$2,584,495	$553,400	$2,178,261	.....	$5,316,156	.....	.....	.....	$150,895	$5,165,261	$71.72	25
100. South Bend, Ind.	70,983	957,500	2,362,000	875,000	.....	4,194,500	$192,432	.....	$2,650	195,082	3,999,418	56.34	34
101. Portland, Me.[19]	69,272	2,449,000	2,335,000	.....	.....	4,784,000	.....	.....	.....	409,839	4,374,161	63.14	29
102. Hoboken, N. J.[27]	68,166	5,785,518	3,863,596	279,000	.....	9,928,114	828,496	$400,251	43,043	1,271,790	8,656,324	126.95	7
103. Charleston, S. C.	67,957	7,757,500	.....	1,447,000	.....	9,204,500	50,857	.....	73,994	124,851	9,079,649	133.60	6
105. Binghamton, N. Y.	66,800	1,676,250	1,725,900	.....	.....	3,402,150	158,588	.....	.....	158,588	3,243,562	48.55	41
107. Brockton, Mass.	66,254	2,218,000	846,000	1,654,000	.....	4,718,000	.....	.....	616,956	616,956	4,101,044	61.89	30
108. Terre Haute, Ind.	66,083	1,799,000	915,000	.....	.....	2,714,000	34,924	69,998	.....	104,922	2,609,078	39.48	48
109. Sacramento, Calif.[7]	65,908	2,628,800	130,000	3,413,200	$195,000	6,367,000	.....	.....	.....	.....	6,367,000	96.60	14
110. Rockford, Ill.	65,651	385,400	732,500	425,000	.....	1,542,900	9,500	60,000	50,000	119,500	1,423,400	21.83	58
111. Little Rock, Ark.[28]	65,142	1,425,000	671,000	.....	.....	2,096,000	.....	.....	.....	.....	2,096,000	32.17	54
114. Saginaw, Mich.	61,903	179,000	2,277,000	783,000	.....	3,239,000	24,000	60,000	63,000	147,000	3,092,000	49.95	39
115. Springfield, Ohio	60,840	1,508,076	1,835,492	325,000	.....	3,668,568	287,148	97,869	.....	385,017	3,283,551	53.96	35
116. Mobile, Ala.	60,777	2,401,300	150,000	1,091,000	.....	3,642,300	.....	.....	.....	.....	3,642,300	59.90	31
118. Holyoke, Mass.[29]	60,203	2,194,000	76,500	1,601,000	.....	3,871,500	.....	.....	467,088	467,088	3,404,412	56.55	33
119. New Britain, Conn.	59,316	1,950,000	1,824,000	1,152,000	.....	4,926,000	381,775	90,543	.....	472,318	4,453,682	75.08	19
120. Springfield, Ill.	59,183	415,700	642,500	518,000	.....	1,576,200	.....	.....	.....	.....	1,576,200	26.63	57
122. Chester, Pa.	58,030	1,852,000	1,915,500	.....	.....	3,767,500	504,331	404,926	.....	909,257	2,858,243	49.25	40
123. Chattanooga, Tenn.	57,895	4,590,700	1,472,000	.....	.....	6,062,700	.....	.....	.....	.....	6,062,700	104.70	13
124. Lansing, Mich.	57,327	690,000	.....	4,535,000	.....	5,225,000	.....	.....	24,374	24,374	5,200,626	90.72	15
126. Davenport, Iowa	56,727	1,549,000	1,023,000	.....	.....	2,572,000	.....	100,000	.....	100,000	2,472,000	43.58	44
127. Wheeling, W. Va.	56,208	1,842,800	80,000	2,000,000	.....	3,922,800	84,326	.....	38,314	122,640	3,800,160	67.61	28
128. Berkeley, Calif.	56,036	598,860	432,500	.....	.....	1,031,360	4,402	13,133	.....	17,535	1,013,825	18.09	62
129. Long Beach, Calif.	55,593	2,693,945	2,893,000	1,330,000	.....	6,916,945	92,430	147,267	.....	239,697	6,677,248	120.18	9
130. Gary, Ind.	55,378	904,500	1,522,000	14,500	.....	2,441,000	78,877	61,191	.....	140,068	2,300,932	41.55	46
131. Lincoln, Nebr.	54,948	386,400	2,288,000	351,000	.....	3,025,400	27,400	434,367	11,000	472,767	2,552,633	46.46	42
132. Portsmouth, Va.	54,387	3,312,200	748,400	2,935,000	.....	6,995,600	221,051	.....	571,177	792,228	6,203,372	114.06	11
133. Haverhill, Mass.	53,884	744,841	610,159	133,000	.....	1,487,000	125,048	244,017	23,515	392,580	1,094,420	20.31	60
135. Macon, Ga.	52,995	947,000	500,000	670,000	.....	2,117,000	116,186	.....	.....	116,186	2,000,814	37.75	50
136. Augusta, Ga.	52,548	3,307,000	40,000	.....	.....	3,347,000	338,815	.....	.....	338,815	3,008,185	57.25	32
137. Tampa, Fla.[19]	51,608	3,750,500	.....	1,427,000	.....	5,177,500	1,030,967	.....	16,171	1,047,138	4,130,362	80.03	18
138. Roanoke, Va.	50,842	3,051,000	1,600,000	.....	.....	4,651,000	404,145	.....	.....	404,145	4,246,855	83.49	17
140. East Orange, N. J.	50,710	1,760,500	1,866,245	1,265,000	.....	4,891,745	208,122	285,500	618,460	1,113,082	3,778,663	74.32	21
141. Atlantic City, N. J.	50,707	8,689,500	3,215,000	3,296,000	.....	15,200,500	2,247,619	344,599	1,500,227	4,092,445	11,108,055	219.06	1
142. Bethlehem, Pa.	50,358	2,184,000	3,960,900	1,780,000	.....	7,924,900	332,971	.....	507,930	840,900	7,084,000	140.67	4
143. Huntington, W. Va.	50,177	802,500	1,415,000	.....	.....	2,217,500	165,000	153,000	.....	318,000	1,899,500	38.75	49
144. Topeka, Kansas	50,022	396,378	321,761	1,161,000	.....	1,879,139	153,613	81,000	297,442	532,055	1,347,084	26.90	56
Group V Population, 30, 000 to 50,000													
145. Malden, Mass.	49,103	$2,335,500	$363,000	$64,000	.....	$2,762,500	$614,065	.....	$66,059	$680,124	$2,082,376	$42.41	51
147. Kalamazoo, Mich.	48,487	278,012	2,277,000	125,450	.....	2,680,462	40,000	.....	.....	40,000	2,640,462	54.46	39
148. Winston-Salem, N. C.	48,395	2,843,977	1,904,000	1,707,023	.....	6,455,000	222,834	.....	.....	222,834	6,232,166	128.78	4
149. Jackson, Mich.	48,374	1,473,729	801,000	545,375	.....	2,820,104	173,980	.....	39,247	213,227	2,606,787	53.89	40

Group V—Continued														
Population, 30,000 to 50,000														
150. Quincy, Mass.	47,876	1,379,600	1,260,000	265,000	.....	2,904,600	.....	.....	.....	.....	2,904,600	60.67	32
151. Bay City, Mich.	47,554	680,500	2,395,000	2,000,000	.....	5,075,500	252,957	207,264	76,432	536,653	4,538,847	95.49	9
154. Highland Park, Mich.	46,499	2,005,400	3,127,000	1,366,626	.....	6,499,026	593,724	662,038	404,635	1,660,397	4,838,629	104.06	7
157. Cedar Rapids, Iowa [30]	45,566	876,100	1,703,000	456,000	55,000	3,090,100	.....	87,075	.....	87,075	3,003,025	65.92	28
158. Elmira, N. Y.	45,393	1,898,000	683,000	1,275,000	.....	3,856,000	.....	.....	.....	.....	3,856,000	84.94	13
159. Pasadena, Calif.	45,354	3,631,074	2,805,000	2,341,926	.....	8,778,000	199,812	.....	135,173	334,985	8,443,015	186.16	1
160. Fresno, Calif. [19]	45,086	786,500	.....	.....	.....	786,500	.....	.....	.....	.....	786,500	17.44	62
165. Decatur, Ill.	43,818	704,000	595,000	.....	.....	1,299,000	157,031	210,701	.....	367,701	931,299	21.43	61
168. Chelsea, Mass.	43,184	2,448,600	515,000	.....	.....	2,963,600	629,180	197,009	.....	826,189	2,137,411	49.49	45
170. Mount Vernon, N. Y.	42,726	3,662,000	1,661,050	1,718,000	.....	7,041,050	288,477	.....	112,897	401,374	6,339,676	148.37	3
171. Salem, Mass.	42,529	1,496,500	438,500	382,000	.....	2,317,000	.....	.....	.....	.....	2,317,000	54.50	38
172. Pittsfield, Mass.	41,763	1,037,725	614,000	1,031,750	.....	2,683,475	.....	.....	.....	.....	2,683,475	64.25	30
173. Lakewood, Ohio	41,732	3,109,920	4,530,500	24,000	.....	7,664,420	540,196	.....	.....	540,196	7,124,224	170.71	2
174. Perth Amboy, N. J.	41,707	1,408,140	1,080,900	1,215,000	.....	3,704,040	353,259	225,035	176,211	754,505	2,949,535	70.72	22
175. Butte, Mont.	41,611	1,467,000	401,683	.....	.....	1,868,683	72,000	50,000	.....	122,000	1,746,000	41.96	52
176. Lexington, Ky. [10]	41,534	1,729,570	568,000	.....	.....	2,297,570	.....	.....	.....	445,501	1,852,069	44.59	49
177. Lima, Ohio [19]	41,326	2,460,600	.....	1,250,000	.....	3,710,600	.....	.....	.....	476,343	3,234,257	78.26	16
178. Fitchburg, Mass.	41,029	1,354,900	697,000	440,900	.....	2,492,800	.....	45,104	16,973	62,077	2,430,723	59.24	34
180. Beaumont, Tex. [31]	40,422	1,659,500	970,900	811,500	871,750	4,313,650	.....	.....	.....	816,907	3,496,743	86.50	12
181. Stockton, Calif.	40,296	2,024,300	.....	.....	.....	2,024,300	.....	.....	.....	.....	2,024,300	50.21	44
182. Everett, Mass.	40,120	1,270,090	1,003,500	95,000	.....	2,368,590	319,565	.....	74,562	394,127	1,974,463	49.21	46
183. Wichita Falls, Tex.	40,079	1,693,000	1,380,000	999,000	.....	3,072,000	187,818	69,000	120,876	377,694	2,694,306	67.22	27
184. West Hoboken, N. J.	40,074	1,594,900	523,000	.....	.....	2,117,900	468,139	11,000	.....	479,139	1,638,761	40.89	54
185. Oak Park, Ill.	39,858	386,750	689,000	152,500	.....	1,228,250	.....	.....	.....	.....	1,228,250	30.82	60
187. Superior, Wis.	39,671	1,092,950	1,050,000	.....	.....	2,142,950	39,200	.....	.....	39,200	2,103,750	53.03	41
189. Springfield, Mo.	39,631	71,000	600,000	.....	.....	671,000	8,356	74,244	.....	82,600	588,400	14.85	63
190. Charleston, W. Va.	39,608	1,726,500	2,393,000	.....	.....	4,119,500	388,867	93,000	.....	481,867	3,637,633	91.84	11
191. Dubuque, Iowa	39,141	1,032,000	1,500,000	287,000	.....	2,819,000	.....	.....	.....	.....	2,819,000	72.02	19
194. Waco, Tex.	38,500	1,471,500	1,113,000	822,000	.....	3,406,500	324,420	145,140	279,962	749,522	2,656,978	69.01	26
195. Joliet, Ill.	38,442	265,500	1,470,000	200,000	.....	1,935,500	.....	.....	.....	.....	1,935,500	50.35	43
196. Madison, Wis. [10]	38,378	1,237,500	1,440,000	483,000	.....	3,160,500	.....	.....	.....	483,461	2,687,039	70.01	24
197. Brookline, Mass.	37,748	610,405	584,600	180,800	.....	1,375,805	.....	.....	.....	.....	1,375,805	36.45	57
198. Columbia, S. C.	37,524	1,338,000	498,000	736,000	.....	2,572,000	71,349	105,000	.....	176,349	2,395,651	63.84	31
199. Lorain, Ohio [19]	37,295	2,176,890	.....	861,500	.....	3,038,390	252,540	.....	167,141	.....	2,618,709	70.20	23
200. Evanston, Ill.	37,234	118,500	1,522,000	480,000	.....	2,120,000	6,668	.....	1,350	8,018	2,112,482	56.75	37
202. Muskegon, Mich.	36,570	1,284,000	850,300	549,000	.....	2,683,300	50,000	.....	30,000	80,000	2,603,300	71.19	21
206. Chicopee, Mass.	36,214	906,450	353,500	231,250	.....	1,491,200	.....	.....	.....	.....	1,491,200	41.18	53
207. New Rochelle, N. Y.	36,213	2,724,097	1,770,676	.....	.....	4,494,773	266,869	.....	.....	266,869	4,227,904	116.75	5
210. Battle Creek, Mich.	36,164	1,047,000	225,000	.....	.....	1,272,000	.....	.....	.....	.....	1,272,000	35.18	59
212. Hammond, Ind.	36,004	327,000	1,070,300	770,000	.....	2,167,300	18,524	.....	.....	18,524	2,148,776	59.68	33
213. Quincy, Ill.	35,978	212,327	182,500	.....	.....	394,827	.....	.....	.....	.....	394,827	10.96	66
215. Newport News, Va. [32]	35,596	1,706,000	870,000	.....	300,000	2,876,000	.....	.....	.....	317,543	2,558,457	71.31	20
216. Rock Island, Ill.	35,177	56,000	400,000	4,000	.....	460,000	.....	.....	.....	9,512	450,488	12.80	65
217. Stamford, Conn.	35,096	1,240,000	1,294,888	.....	.....	2,534,888	306,498	181,662	.....	488,160	2,046,728	58.32	36
219. Austin, Tex.	34,876	1,943,500	465,000	.....	.....	2,408,500	.....	.....	.....	.....	2,408,500	69.06	25
223. Amsterdam, N. Y.	33,524	420,000	574,850	377,000	.....	1,371,850	76,799	3,308	4,532	84,639	1,287,211	38.39	56
224. Wilmington, N. C. [19]	33,372	1,584,200	.....	875,000	.....	2,459,200	.....	.....	.....	23,810	2,435,390	72.97	18
225. Orange, N. J.	33,268	1,053,675	740,000	562,000	.....	2,355,675	213,871	174,188	226,151	614,210	1,741,465	52.35	42
228. Ogden, Utah [19]	32,804	1,428,000	.....	700,000	.....	2,128,000	.....	.....	.....	.....	2,128,000	64.87	29
230. Norristown, Pa.	32,319	322,500	951,000	.....	.....	1,273,500	.....	111,494	.....	111,494	1,162,006	35.92	58
232. Lewiston, Me. [10]	31,791	919,500	100,000	454,000	.....	1,473,500	.....	.....	.....	225,000	1,248,500	39.27	55

BONDED DEBT OF 200 CITIES AS AT JANUARY 1, 1924—*Continued*

City	Census 1920	General improvement bonds	Public school bonds	Public utility bonds	Miscellaneous bonds	Gross total bonded debt	Sinking fund				Net total bonded debt	Per capita net bonded debt	Rank
							General improvement	Public school	Public utility	Total			
Group V—Continued Population, 30,000 to 50,000													
233. Watertown, N. Y.	31,285	$875,335	$829,300	$734,000	.....	$2,438,635	$12,467	.....	$26,571	$39,038	$2,399,597	$76.70	17
234. Columbus, Ga.	31,125	1,027,500	135,000	315,000	.....	1,477,500	35,000	.....	.....	35,000	1,442,500	46.34	47
235. Pensacola, Fla.[33]	31,035	1,585,000	.....	14,000	$400,000	1,999,000	.....	.....	.....	176,242	1,822,758	58.73	35
236. Green Bay, Wis.	31,017	928,000	967,000	958,000	.....	2,853,000	.....	.....	.....	.....	2,853,000	91.97	10
237. Petersburg, Va.[10]	31,012	2,934,000	500,000	475,000	.....	3,909,000	.....	.....	.....	921,411	2,987,589	96.34	8
239. Waltham, Mass.	30,915	538,000	805,000	50,000	.....	1,393,000	66,624	.....	8,585	75,209	1,317,791	42.62	50
240. Moline, Ill.	30,734	135,000	296,000	.....	.....	431,000	25,000	.....	.....	25,000	406,000	13.26	64
242. Newburgh, N. Y.	30,366	401,975	288,240	851,731	.....	1,541,946	158,588	.....	.....	158,588	1,383,358	45.56	48
243. Muskogee, Okla.	30,277	1,954,154	1,330,000	1,120,000	.....	4,404,154	1,507,949	498,152	.....	2,006,101	2,398,053	79.14	15
245. Colorado Springs, Col.	30,105	1,731,000	542,000	1,146,000	.....	3,419,000	.....	.....	.....	.....	3,419,000	113.57	6
246. Lynchburg, Va.[10]	30,070	1,380,800	549,000	1,603,000	.....	3,532,800	.....	.....	.....	1,149,377	2,383,423	79.26	14

City	Dominion census 1921	General improvement bonds	Public school bonds	Public utility bonds	Miscellaneous bonds	Gross total bonded debt	Sinking fund				Net total bonded debt	Per capita net bonded debt	Rank
							General improvement	Public school	Public utility	Total			
Canadian Cities													
1. Montreal, Quebec[34]	618,506	$93,942,725	$28,781,424	$27,948,261	.....	$150,672,410	$8,237,022	$2,017,838	.....	$10,254,860	$140,417,550	$227.02	3
2. Toronto, Ontario	521,893	45,935,321	22,956,189	77,051,361	.....	145,942,871	13,354,614	3,424,496	$7,997,364	24,776,474	121,166,397	232.16	2
3. Winnipeg, Manitoba	179,037	9,510,724	6,450,000	21,547,929	.....	37,508,653	3,422,640	830,752	3,754,652	7,998,044	29,510,609	164.78	7
4. Vancouver, B. C.	117,217	18,871,902	4,171,900	5,099,351	.....	28,143,153	5,940,998	817,242	1,300,302	8,058,542	20,084,611	171.34	6
5. Hamilton, Ontario	114,151	8,366,459	3,455,895	4,944,540	.....	16,766,894	2,030,835	546,230	1,401,994	3,979,059	12,787,835	112.02	11
6. Ottawa, Ontario	107,843	12,372,277	4,136,995	4,682,172	.....	21,191,444	3,591,929	669,523	962,959	5,224,411	15,967,033	148.06	9
7. Quebec, Quebec	95,193	11,965,517	3,625,000	4,270,000	.....	19,860,517	598,423	236,713	.....	835,136	19,025,381	199.86	5
10. Edmonton, Alberta	58,821	12,166,456	3,804,387	11,712,171	.....	27,683,014	2,389,078	206,983	3,731,678	6,327,739	21,355,275	363.05	1
11. Halifax, N. S.	58,372	6,177,024	2,241,233	2,071,927	.....	10,490,184	1,150,834	444,416	.....	1,595,250	8,894,934	152.38	8
12. St. John, N. B.[35]	47,166	2,514,785	1,103,500	4,038,231	.....	7,656,516	741,632	118,355	1,212,385	2,072,372	5,558,144	144.17	10
13. Victoria, B. C.	38,727	4,829,513	1,387,549	3,951,015	.....	10,168,077	859,226	497,667	300,231	1,657,124	8,510,953	219.61	4

NOTES—The cities are arranged in order of population, according to 1920 Federal census (Canadian census, 1921).

[1] *New York City.* Total debt includes boroughs and a portion of debt of the counties; public utility bonds include $270,213,689 rapid transit and $70,561,900 docks and ferries; miscellaneous comprises county bonds, etc.; the general sinking fund includes school.

[2] *Chicago.* Does not include county or forest preserve district (county) bonds, $26,480,000.

[3] *Philadelphia.* Includes city and county of Philadelphia; general bonds include all bonds issued for work for which special assessments are levied; sinking funds not separated by purposes.

[3a] *Detroit.* Public utility bonds include $18,687,000 street railway; in addition to the bonded debt reported, there is a street railway purchase contract for $15,580,000, $7,080,000 to be amortized at the rate of $1,000,000 annually, the balance payable December 31, 1931.

[4] *Boston.* General bonds include debt of County of Suffolk, $1,717,000, which is paid by Boston; utility includes $40,782,700 rapid transit; sinking fund not separated by purposes.

[5] *Baltimore.* General bonds include school: miscellaneous bonds; docks and piers; general sinking fund includes school; utility sinking fund includes $2,333,769 docks and piers.

[6] *Los Angeles.* Miscellaneous bonds: harbor improvements. In addition to the debt reported, there are municipal improvement district bonds for water and roads, $4,827,215, and flood control district bonds $3,706,709, which are obligations of the districts but not of the city.

[7] *Milwaukee, Oakland, Sacramento.* Miscellaneous bonds: harbor bonds.

[8] *Cincinnati.* Miscellaneous bonds: Cincinnati Southern Railway construction and terminal bonds.

[9] *New Orleans.* Different issues of bonds are being retired one after another, out of a one per cent tax levy for debt.

[10] *Minneapolis, Providence, Atlanta, Birmingham, New Haven, San Antonio, Nashville, Lynn, Utica, Oklahoma City, Troy, Portland, Lexington, Madison, Lewiston, Petersburg, Lynchburg.* Sinking fund not separated by purposes.

[11] *Seattle.* Of the public utility bonds, $31,531,400 are not obligations of the city, both principal and interest being payable from the revenues of the utilities.

[12] *Jersey City, St. Paul.* Sinking fund not separated as between general city and school.

[13] *Portland.* Utility bonds include Port of Portland river improvement, $2,604,000, and Dock Commission terminal and dock development, $9,945,000.

[14] *Columbus, Bethlehem, Madison.* General and utility sinking fund not separated.

[15] *Louisville.* The Sinking Fund Commission owns the entire capital stock of the Louisville Water Company, par value of $1,275,100.

[16] *Omaha.* Sinking fund data not furnished.

[17] *Houston.* Miscellaneous bonds: wharves; public utility sinking fund includes wharves, $131,101.

[18] *Hartford.* School bonds include debt of nine independent school districts within the city.

[19] *Scranton, Youngstown, Jacksonville, Charleston, S. C., Tampa, Fresno, Lima, Stockton, Lorain, Wilmington, Ogden.* School data not furnished.

[20] *New Bedford.* Miscellaneous: wharf; utility sinking fund includes wharf, $52,000.

[21] *Norfolk.* Miscellaneous bonds: municipal docks and terminals; sinking fund not separated by purposes.

[22] *Cambridge.* General bonds include schools; sinking fund not separated by purposes.

[23] *Reading.* School data reported as at July 1, 1923.

[24] *Tacoma.* Miscellaneous bonds: docks and wharves.

[25] *Savannah.* School data not reported; miscellaneous bonds: wharf.

[26] *Peoria.* Miscellaneous bonds: park district; part district sinking fund reported under public utility.

[27] *Hoboken.* General bonds include $2,526,955, temporary improvement bonds, maturities three months to six years, part of cost of improvements being in litigation.

[28] *Little Rock.* City's debt renewed from year to year by issuance of one-year warrants, state constitution prohibiting issuance of bonds by state, counties and cities.

[29] *Holyoke.* Utility bonds include $195,000 Holyoke and Westfield Railroad; the utility sinking fund includes $226,500 stock of that railroad.

[30] *Cedar Rapids.* Miscellaneous bonds: dam.

[31] *Beaumont.* Miscellaneous bonds: wharf, sinking fund not separated by purposes.

[32] *Newport News.* Miscellaneous bonds: boat harbor; sinking fund not separated by purposes.

[33] *Pensacola.* School data not furnished; miscellaneous: dock and belt railroad bonds.

[34] *Montreal.* School debt is divided, Roman Catholic Board $19,914,324 with sinking fund $1,010,258; Protestant Board, $8,867,100 with sinking fund $1,007,580; general and utility sinking funds not separated.

[35] *St. John.* School debt as at June 30, 1923.

RECENT BOOKS REVIEWED

A Syliabus of Municipal Administration. By Lent D. Upson. Ann Arbor: Bureau of Government, University of Michigan, 1923, 66 pp.

This outline was prepared to accompany Dr. Upson's course in the practice of municipal administration in the University of Michigan. It is most fortunate for teachers of government that it has in its present form been made more readily available. Twenty-eight subjects within the scope of municipal administration have been outlined with a somewhat carefully selected list of readings attached to each. The topics treated range from the more commonly treated subjects such as the budget and police to useful and valuable sketches of administrative interests commonly overlooked in treatises on municipal administration, such as the administration of elections and motor transportation. The sections dealing with finance are especially complete and comprise in all nearly one fourth of the outline. One wishes, however, for a more complete treatment of the operation of a municipal law department, city planning and the control of public utilities.

A contribution of this sort, made by one whose contact with the actualities of municipal administration has been so intimate and so extensive as Dr. Upson's, should be welcomed by teachers of municipal government whose perspective is usually severely limited by the conditions of academic life and the possibility of actual contacts with the business of governmental administration. For the administrator himself it should give the subject matter and the guidance for a more complete comprehension of related fields of administration.

Raymond Moley.

✻

A National Plan Study Brief. By Warren H. Manning. Published as a Special Supplement to *Landscape Architecture* for July, 1923.

Few who read this "National Plan Study Brief" will at first realize the vast effort that has gone into the preparation of its succinct statements and its informative maps and diagrams. Yet, as one comes to realize that Mr. Manning's study relates not to an estate of one man, not to the affairs of one community, not to the progress and the prospects of one state, but to the future of the land we live in, boast about, sometimes lie about, and all too frequently neglect to consider, its importance develops.

Any brief review would be inadequate. The whole of the brief, covering but 24 pages in large type, ought to be read by every man who claims to be a good citizen, because only in such reading can he come to realize the gravity of the problem both now and in the future.

The United States is comparatively a young land. China is an old land. China did not have a national plan study, and with all her teeming population she now alternately starves and fights because there is not a living basis left in much of her area, once covered with the same sort of growth and having the same potential resources as the United States; for it may not be generally known that eastern United States and much of China are curiously akin in many respects of climate and growth.

What Mr. Manning has devoted years of effort and a great deal of expense to developing is the thought of the necessity of a true, comprehensive national plan study. This brief only sets out the need in the fewest possible words. That it has been impressive is shown in the foreword provided by the late Franklin K. Lane, who says of it that the study made "is as fascinating as fiction, yet it is all very solemn fact." Mr. Manning sets up a plan for development which is practicable and which should be promoted. He also says, "With a definite coordinated plan for the development of our resources and peoples in which we can all take part, we shall enter a new era of progressive growth." All this is entirely true. It is to be hoped that citizens will obtain and read this brief for the good it will do them and the nation.

J. Horace McFarland.

✻

The Regulation and Management of Public Utilities. By Charles Stillmen Morgan, Ph. D. Boston and New York: Houghton Mifflin Company, 1923, pp. xi, 362.

This Hart, Schaffner and Marx prize essay is essentially an analysis of the effect of regulation upon the efficiency of a business enterprise. The study, however, itself, has been made specifically

in terms of public utilities. The general point of view maintained, is that regulation may be of substantial benefit to all parties, but it is not without its shortcomings which may bode ill for the future.

In discussing the efficiency of public utilities the author admits that there are so many variables to be taken into consideration that efficiency cannot be judged absolutely, but only relatively. Methods of comparison from various standpoints are discussed and evidence presented, however, to indicate that there is great difference in the efficiency with which various utility enterprises are conducted. He discusses the several causes leading up to this difference in efficiency included in which are, causes relating to the inherent nature of public utilities, those relating to the regulation to which they are subject, those relating to difference in opportunity, those relating to difference in capacities of individuals and other more temporary causes. It is pointed out that regulation has done away with the speculative element and the reward not being possible, the effort is not put forth. On the other hand, it is admitted that a control of rates has made rate wars impossible and is a step in the right direction. The effect of participation by the regulating commission in the management and the effect of regulation on initiative is quite fully discussed, it being pointed out that any sort of regulation puts a damper upon individual initiative.

The introduction of regulation to correct specific evils, the gradual enlargement of regulative authority, the determining of proper operating and capital charges and of a fair rate of return, have been dwelt upon at length.

Service-at-cost and the sliding scale basis of regulation are given considerable attention, and explanation is given why the sliding scale basis is so little used in the United States. In discussing service-at-cost, it is pointed out that it has saved many utilities from complete annihilation, but it is inherently inefficient. The company is spending the city's money and not its own and under normal conditions, parts with it more readily. An analysis of services-at-cost franchises is given and provision for promoting efficiency discussed.

The question of management is touched upon and the advisability of rewarding management for efficiency as well as capital is advised.

In summing up the author maintains that signs are perceptible which indicate that the emphasis in the regulation of public utilities, which in the past has been more largely on the reduction of return which goes to capital and business ability, is now being shifted to embrace the idea that greater good to all concerned will result from the establishment of conditions which will conduce to such an energizing of the agencies directing public utilities undertakings as will lead to their making the fullest use of the means put at their disposal.

The time is certainly opportune for a critical examination of the accomplishments of regulation, with a view to a better guidance of its future course of development and the author in a capable manner has brought out many points of value and interest.

R. Fraser Armstrong.

✻

Accountants' Handbook: E. A. Saliers, editor. Chapter on municipal accounting and budget by H. N. E. Gleason. New York: Ronald Press 1923. Pp. xxxviii, 1675.

The "Accountants' Handbook" contains over 1,700 pages and discusses in summary form all phases of accounting, as well as many related subjects. As suggested by the title, it is adapted to reference use more than to general reading. Although it does not give an exhaustive treatment of any of the subjects presented, it is at the same time a valuable work in the field. It fills much the same place in the accounting field as the engineering handbooks do in the engineering field.

Among the thirty-three chapters in the handbook, the present reviewers, however, are mainly interested in Chapter 25 on municipal accounting. The treatment in all other chapters is entirely on the subject of commercial accounting. Because of space limitations, Chapter 25, which covers 46 pages, is nothing more than a bare outline of the subject of accounting and budget making in municipalities. Consideration of accounting and budget in other governmental units is omitted.

The subject matter contained in Chapter 25 is fairly well chosen, but it could have been more logically arranged. The diagrams and analyses of transactions as presented are useful to the reader. The presentation of the general principles of accounting is too limited in its treatment. For this reason it gives the impression of being superficial and even dogmatic. The classification of funds, for example, is outlined under "general" and "special" funds, the latter group being divided into "capital,"

"sinking" and "special and trust" funds. Such a classification is more or less common in practice, but it is by no means a standard classification. And it does not represent the latest and most exhaustive study on the subject.

Another example of the rather narrow treatment of certain general accounting principles is the application of the capital balance sheet of commercial concerns to governments. Fixed or permanent property is represented in the financial statements as an asset with which long term bonded debt may be liquidated. No importance is attached to the fact that many accountants have decided that the use of the capital balance sheet in governmental accounting is of little or no value and that it may even be misleading. The author sees only the commercial side of the question in his discussion. In fact, one gets the idea that he feels a certain impatience with his subject because he cannot make the requirements of municipal accounting conform throughout with those of commercial enterprises.

The part of the chapter relating to the budget is good as far as it goes, but it does not cover some of the more important points. It handles as well as could be expected in brief compass the matter of classification and the form of estimates, even illustrating estimate sheets. But it neglects to say very much about the contents and set-up of the budget document. While instructions are given for bringing together budget information, the reader is left largely to his own ingenuity in tabulating and summarizing this information in proper budget form for presentation to the city council and the public. Thus, the prime element in budget making is practically overlooked.

W. Watson and A. E. Buck.

PUBLIC HEALTH NOTES

EDITED BY CARL E. McCOMBS, M. D.

Physical Examination of Food Handlers in Bluefield, W. Va.—Bluefield, West Virginia, which is making rapid progress in the development of efficient public service under Clarence E. Ridley, city manager, recently passed an ordinance requiring the physical examination of all food handlers. The result was that fifteen persons, presumably infected with disease, left the city rather than submit to the physical examination, and out of 178 persons examined twelve were refused permission to work in food establishments because they were infected with disease.

Many of our larger cities have adopted this procedure as a protection against food contamination and the spread of disease thereby but hundreds of smaller cities are still permitting the health of citizens to be endangered by food handlers with tuberculosis, venereal disease, typhoid infection and other diseases in communicable form. The cities of Newark and New York have published some interesting documents on disease among food handlers which may be had for the asking.

✠

Typhoid Fever at a Southern University.—*Health Briefs*, the official bulletin of the Tennessee Department of Public Health reports in a recent issue a serious outbreak of typhoid fever at Lincoln Memorial University at Harrogate, Tenn. The fact that the fifty cases which developed were confined to the university indicated that the source of infection was not the water supply or milk supply since the same sources were utilized by residents of the village of Harrogate and neighboring communities. Bacteriological tests of milk and water confirmed this conclusion. The source of infection was finally fixed upon a typhoid carrier in the kitchen of the university dining room. The source having been located the spread of infection was promptly checked. This serious and sharp outbreak of typhoid emphasizes the necessity for more thorough examination of food handlers to exclude not only those having acute infections but carriers who are apparently well. Certainly in our large educational institutions and in hospitals there should be no opportunity for an outbreak of disease so readily transmitted by food handlers.

✠

Good Law and Good Sense on the Fly Question.—*The Nation's Health* reports at length the finding of the supreme court of Maine in the case of a suit resulting from the defendant's leaving the plaintiff's hotel because of flies in the hotel dining room. The court, following a general discussion in its decision of the rôle of the fly as a disease carrier, held

that the defendant left the plaintiff's hotel on account of the obnoxious presence of flies there can be no doubt, and the court thinks that he was justified in so doing. Accidentally flies may occasionally invade any dining room, public or private; but the presence of flies in a dining room regularly in numbers, however small, is a menace not to be encouraged or tolerated. A single fly may so contaminate food, or drink as to communicate a dangerous or even deadly disease like tuberculosis or typhoid fever. To the person, therefore, who knows the danger, flies about the food, in numbers however small, are at once repulsive, nauseating, and dreaded. To those informed on the subject, this case presented a matter of importance for serious consideration. Reasonable conditions of sanitation are always to be measured by the fatality of the disease likely to be communicated as the result of the lack of such conditions.

✠

Compulsory Pasteurization of Milk Upheld by Court.—A recent decision of the North Carolina supreme court declares valid an ordinance of the town of Tarboro, N. C., requiring pasteurization of all milk sold in the town. The ordinance, adopted in 1918, on the recommendation of the county health department, resulted in the establishment of a municipal pasteurizing plant. A local dealer, convicted in a lower court of violation of the ordinance, was fined $25. He appealed on the ground that the ordinance under which he was convicted is an unreasonable exercise of police power and therefore void. The justice, writing the opinion for the supreme court said, "We think the ordinance in question is valid. Its violation is admitted. No error." This decision should stimulate other communities needing more adequate protection of their milk supplies to follow Tarboro's example.

Common Colds and Their Significance.—In the May issue of the *American Journal of Public Health*, Eugene C. Howe, gives the result of an examination of 367 college freshmen from October, 1919, to April, 1920, with special reference to their "colds". His report is interesting not only as to the incidence of colds but as indicative that the common cold instead of being a mere annoyance is a real and serious factor in lowering physical and mental efficiency. His conclusions, briefly summarized, are as follows: (1) only twenty-six out of the 367, or between 7 and 8 per cent, were free of colds; (2) many colds were of considerable duration, the majority lasting more than five days and more than a third from 8 to 15 days; (3) "head colds" predominated; (4) more than half of those affected reported moderate to considerable decrease of efficiency and almost a third considerable decrease. In view of the ready communicability of colds, these facts are of value in indicating the tremendous loss in health and working efficiency from this cause that occurs yearly in every community. Health officers would do well to emphasize the importance of prevention of colds. Many more serious infections occur at the time when resistance is lowered because of simple colds. One hears many times of colds that "turned into pneumonia" or other serious, often fatal infections, but the fact is that in most cases the colds merely lowered the individuals' resistance and paved the way for new infections.

*

Importance of Sterilization of Milk Bottles.—A recent study by the Minnesota state board of health of methods of sterilization of milk bottles in pasteurizing plants throughout that state emphasizes the necessity of this procedure for the prevention of milk contamination. The investigation showed that in the plants where no provisions were made for sterilization of bottles a high bacterial content of bottles was general. In these plants the bacterial content of bottles ranged from 59,000 to 8,400,000. Comparison of the efficiency of sterilization of bottles by steam and by chlorine solution indicated that chlorine is the more dependable agent. Steam, when applied carefully with automatic machines, gave excellent results, but the investigators found that in many instances the operators neglected to carry out all details of the operation with resulting inefficiency of sterilization. In the plants where steam was used by manually operated machines sterilization was generally inadequate. Chlorine solutions for sterilizing milk bottles have been in use for some time in a number of pasteurizing plants in Minnesota and no objection to the use of such solutions has been reported. They are inexpensive, easily prepared, and can be applied by relatively inexperienced operators. The investigators concluded that the mere presence of good sterilization equipment in a pasteurizing plant is by no means sufficient evidence that bottles are properly treated. They urge the importance of frequent and detailed examination of all pasteurizing processes and frequent bacteriological tests to ensure efficiency of bottle sterilization. It is not unusual to find that the benefit resulting from complete and thorough pasteurization of milk is largely offset by the failure of operators to protect all other milk handling processes incidental to it. In the light of the findings of the Minnesota state board of health it would seem highly desirable for every community depending upon pasteurized milk to see to it that all milk handling operations and equipment in pasteurizing plants are given frequent and thorough examination.

AMERICAN CIVIC ASSOCIATION NOTES

EDITED BY HARLEAN JAMES

The Twentieth Anniversary Luncheon of the American Civic Association, held in Washington on April 9, not only set forth in its broad outlines the civic accomplishments of the Association but every speaker paid tribute to the twenty years of unselfish service which has been rendered by its president, Mr. J. Horace McFarland of Harrisburg, Pa. Mr. McFarland has personally visited more than five hundred cities and towns during this period. Nowadays he frequently has the pleasure of revisiting cities after a lapse of years to find that they have profited by his advice. No doubt there are in these United States many acres of public parks which would not exist if Mr. McFarland had not for a quarter of a century been preaching the gospel of park acquirement at the right time. The time to acquire a park, as all civic workers know, is before its natural beauty has been ruined and before it has taken on a high valuation due to metropolitan congestion; but, unfortunately, many city officials do not know this until their attention is called to the trend of events. And so all along the civic line, Mr. McFarland has been giving sound advice, based on common sense and experience, to the end of making American communities better places in which to live.

Mrs. Edward W. Biddle, vice-president of the American Civic Association, who presided at the luncheon, has a record for civic achievement no less important, and now, as chairman of the Philadelphia committee on the Federal City, Mrs. Biddle is rendering a signal service to the country. Mr. Clinton Rogers Woodruff, treasurer, has held every office in the Association except that of president. He followed Mr. Charles Mulford Robinson as secretary and was followed by Mr. Richard B. Watrous who served the Association for ten years. Mr. Watrous, on behalf of the board members and friends of Mr. McFarland, presented him with a Royal Bokhara rug as a testimony of the appreciation of Mr. McFarland's associates for his long and faithful devotion to the cause of better living conditions in America. Mrs. Albert Lee Thurman, then Eleanor Marshall, acted as secretary during the war years when civic work was crowded by military necessity and she was largely responsible for the revival of interest and support in the years of 1919 and 1920.

At the anniversary luncheon the American Civic Association took stock of its accomplishments, not to spend long hours in reminiscence of the past, but in order to see the foundation for extension of service in the future. The entire technique of city building has undergone a revolution in the last twenty years. The increase in the mere numbers of the population has complicated the business of maintaining an enlightened democracy. It is, therefore, necessary, if an organization is to meet the demands of to-day, that information be gathered from more sources and offered to more communities. In the next twenty years it is hoped to make the name of the American Civic Association a synonym for reliable information concerning the practices of communities in providing modern living conditions.

*

Mr. Gregg Talks about the Yellowstone.—At the anniversary luncheon Mr. William C. Gregg, who has taken a keen interest in the preservation of the Yellowstone National Park from commercial encroachments and has discovered many new and unnamed cascades in the hitherto little-explored southwest corner, called attention to the two pending Walsh bills designed to secure for the settlers in Montana, present and future, a free franchise of the top of Yellowstone Lake in order to store water for commercial purposes. Mr. Gregg was unable to see the difference between the selling for a low price the oil reserves of the Government and the *giving away* for no price at all of reservoir space, especially when that space would rest on top of the surface of a unique and beautiful lake set aside by the Congress of the United States for all time for the use and benefit of *all* the people of the country. Very aptly Mr. Gregg stated that oil and water do not mix, that at present the oil was on top and he was only calling attention to the water underneath!

*

The Federal City Dinner was attended by more than three hundred. One hundred and

eighty of these came from Philadelphia on a special train, which was provided at the instance of Mr. Robert Tracy, secretary of the City Club. The entire crowd visited the Pan-American Union Building, where they were received by Dr. L. S. Rowe, director of the Pan American Union, and then proceeded to the executive offices, where Mr. McFarland introduced each one to the President of the United States.

At the Federal City dinner Mr. Frederic A. Delano made a very excellent statement of the purposes of the Washington Committee of One Hundred on the Federal City, particularly calling attention to the fact that the District of Columbia suffers from the necessity of bringing far too many details before the Congress of the United States. He outlined the provisions of the Capital Park commission bill which would set up a machinery for acquiring park lands for the capital which would leave the final authority in the hands of Congress but would eliminate many of the preliminary steps now necessary in order to acquire a single foot of land for park or playground purposes.

Mr. McFarland acted as toastmaster and introduced Colonel Wetherill, vice-president of the Philadelphia City Club. Judge John Barton Payne deplored the lack of plan in the later development of Washington and made a plea for a comprehensive plan which would make ample provision for small as well as large parks. Herbert Hoover, secretary of commerce, stated that in his opinion, far outweighing the economic advantages to be derived from intelligent city planning and zoning, was the actual human service which resulted from better living conditions. Mr. Hoover laid stress on the need for consistent application of the zoning regulations. Senator Ball spoke in favor of a more responsible form of government for the District of Columbia where one man, appointed by the President, would have sufficient authority to bring beneficial results. Senator Pepper declared his interest in the capital city but said that many other important affairs were apt to crowd out the measures for the district if organizations such as the American Civic Association did not keep constantly before the members of the Congress the needs of the Federal City.

An exhibit of maps and photographs loaned by the Fine Arts Commission, the office of public buildings and grounds and the district commissioners was arranged by Mr. H. P. Cammerer, secretary of the Fine Arts Commission. Literature from the American Civic Association, the Fine Arts Commission, the division of building and housing of the Department of Commerce and from the Better Homes Bureau was on display.

The trip around Washington in the afternoon was designed to show the contrasts between the beauty which has resulted from the fine vision of the L'Enfant Plan, the park commission of 1901 and the Commission of Fine Arts and the unplanned areas both within and without the original city.

The account of the conference is here given thus fully because it is believed that the interest shown this year at the second conference on the Federal City (the first to which out-of-town citizens of Washington have been invited) is only an indication of a far greater interest and attendance in the two-or-three-day conference to be arranged next year. Many of those who came this year have said that they would like to come again next year. Many who were prevented from coming because of other engagements have stated their intention of coming to Washington for the next conference.

Billboards, in twenty years from now, will be rare and in fifty years from now will be obsolete. There is no doubt that the tide has definitely turned. For years the civic associations have been fighting billboards because of their violence to the landscape of this beloved country of ours, because of the attending dangers of fire, insanitary rubbish and hidden corners.

But, as in many other reforms, the result is likely to be accomplished, not because of aesthetic or moral reasons, or even because of safety; but because it is being discovered by many large advertisers that billboard advertising is not bringing traced results at all commensurate with the cost. The revulsion of public feeling caused by the increasing popularity of country motoring and the education of the public taste have no doubt been largely responsible for this. So many citizens are now taking the trouble to make a mental or written note *not* to purchase salt or oil or tires or cars or what not advertised on objectionable billboards that the money invested in such billboards is becoming a *warning* rather than a drawing sign.

Mrs. W. L. Lawton, chairman of the National Committee for Restriction of Outdoor Advertising, is able to announce every few days, another national advertiser who promises to make

no more contracts for objectionable outdoor advertising. This is the beginning of the end.

✦

Commissioners Regulate Advertising in the District of Columbia.—The discussion of billboard restriction is bringing many results other than the elimination of great national advertisers. The commissioners of the District of Columbia have ordered down all advertising signs which do not advertise goods sold on the premises, on Pennsylvania Avenue between the Capitol and the White House. It was necessary as a first step to persuade the federal government itself to forego the income derived on a government-owned building for a certain commodity. The zoning law had already prohibited all advertising from residence districts. Moreover the commissioners have restricted the size of all advertising signs. Almost no applications for new billboards are being received. Certainly billboards are on the run. Outdoor advertising companies should be thinking up substitutes if they would continue in business.

✦

Books about Washington.—In order to be well informed about Washington it is necessary to spend some time in reading about it. The following is given as a short lists of books which can usually be found in the public libraries of the larger cities or obtained from the publishers through the American Civic Association. One or two are now out of print, but, fortunately, were placed on the shelves of many libraries of the country before the supply was exhausted.

Washington and Its Romance. *Thomas Nelson Page.* Doubleday, Page & Co., 1923; 196 pp.

Reports of the National Commission of Fine Arts, established in 1910. Government Printing Office, Washington, D. C.

Preliminary Report by the Washington Committee of 100 on the Federal City to the American Civic Association, Washington, D. C., January 3, 1924; 97 pp.

Art in Our Country Handbook. *American Federation of Arts.* December, 1923; pp. 141–6 inc. on Washington, D. C.

The Park System of the District of Columbia Senate Report No. 166, to the 57th Congress, First Session.

Celebration of the 100th Anniversary of the Establishment of the Seat of Government in the District of Columbia. Compiled by *William V. Cox.* Government Printing Office, Washington, 1901.

History of the United States Capitol, *Glenn Brown,* 1900.

Papers on the Improvement of Washington City, *Glenn Brown,* 1901.

The Octagon, *Glenn Brown,* 1915.

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NOTES AND EVENTS

Non-Partisan Municipal Elections Saved in New York State.—New York narrowly escaped having an absolute prohibition against non-partisan municipal elections written on its statute books this year. A courageous veto from Governor Smith, however, effectively stopped it. The reactionary proposal originated in Buffalo where both Democratic and Republican politicians have chafed under the terms of a charter providing for non-partisan primaries and elections for the choice of members of the municipal commission. Failing in their efforts to change the charter directly, the bi-partisan partnership sought to amend the general election law of the state by simply cutting out of it two words.

Section 130 of the election law provides that all official ballots shall carry party emblems, but it contains an exception in the following phrase: "but this article shall not repeal nor affect the provisions of a statute, general or local, prescribing a particular method of making nominations of candidates for certain school or city officers." Under this exception certain cities acting under the optional city charter law have adopted non-partisan charters. Others have had charters granted by the legislature containing non-partisan provisions as was the case in Buffalo. The bill introduced this year merely cut out the two words "or city" leaving school officers the only ones who could be elected on a non-partisan ballot.

Had this proposal become law, it would have affected not only Buffalo but a dozen or more other cities in the state operating under non-partisan ballots. The bill was introduced early in the session by Mr. Jenks, chairman of the judiciary committee but made no progress until toward its close. The State Conference of Mayors took action against it as did many civic organizations. The Jenks bill passed the assembly, but its senate counterpart was held up in judiciary committee on the objection of the chairman. In the last week of the session another senator introduced it in the senate and to escape the opposition of the judiciary committee it was sent to the general laws committee, which has never heretofore considered election law amendments. This committee was more complacent and reported the second senate bill, which was advanced to final reading where the assembly bill was substituted for it and passed.

In response to many requests, Governor Smith gave a public hearing on the bill during the thirty-day period. His keen questions directed to the proponents of the bill brought out their admission that they were doubtful whether they could bring about the change they desired except through general legislation. The governor took a strong stand against legislation that would prohibit every city in the state from holding non-partisan elections just because a group in Buffalo did not like them. He eventually vetoed the bill with a strong message in which he pointed out that under the new home rule enabling act any city could adopt a non-partisan form of ballot for city officers or if it had the non-partisan form, change back to the ballot carrying a party emblem. He declared that the bill was "in letter as well as in spirit, a violation of the home rule principle to which we are so strongly committed by constitutional amendment as well as legislative enactment. This amendment to the election law has for its effect the nullification of that part of the enabling act which would permit cities now operating under commission form of government to make what changes they themselves desire with regard to the manner and method of nominating their city officials. We cannot be declaring in one bill for the principle of home rule and then destroying any part of it in another. It is a principle, and when we begin to compromise with that principle we are inviting its ultimate destruction."

WALTER T. ARNDT.

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Housing Facts from Philadelphia.—As usual with the reports of the Philadelphia Housing Association, their recent publication, "Housing in Philadelphia" is a valuable discussion of the present situation. Mr. Newman puts squarely up to the municipality the responsibility for the continuance of its bad housing and bad sanitation. "It is not ignorance of the fact," says the report, "that such insanitation prevails nor is it the lack of city funds to meet the situation, that can account for the contentment with which Philadelphians accept year after year the filth cached in thousands of privy vaults or flowing

through back alleys over pavements that are veritable surface sewers." The city knows of these facts and knows that this situation is a blight to Philadelphia, but does little about it.

ASSESSMENTS ARE UNFAIR

The report points out that driven by the emergency of the situation many of their three-story private dwellings are being converted into tenement houses with conditions that are not creditable to the city. It points out that a fair assessment of valuation of property for taxation is not being made and that the small householder is paying more than his full share. Few reports have been more direct and more courageous in pointing out the delinquency of the city in dealing with this vital problem or in putting the responsibility squarely up to the citizens.

The constant check-up of the Philadelphia Housing Association on the enforcement of the city's regulation of housing indicates laxness of enforcement which the report does not hesitate to criticize scathingly. Certainly no one can disagree with the statement that it is ridiculous to expect five city inspectors to cover all the insanitary houses in a community the size of Philadelphia.

Analyzing what is happening in home construction in Philadelphia the association finds that the bulk of homes built during 1922 would have to sell for from $6,000 to $9,000 each. Less than 5 per cent are for sale at $4,000 or less and there are practically no houses under $3,600. The construction of multiple family houses is on the increase, although they provide housing accommodations only for people who can afford to pay $15 a room or more. The housing shortage in Philadelphia instead of being reduced in 1922 was actually increased in spite of the unprecedented number of building permits issued. At any rate, the Report states,

the housing needs of the average citizen have been entirely overlooked, while the housing needs of the small wage-earners who have had their rents raised more than any other group of the city will obtain practically no relief. The result is that a much larger proportion of our population than heretofore is being forced to take the left-overs, buildings not adapted to modern living, dilapidated buildings, tenements or even to give up home life altogether and live as roomers.

The following picture which Mr. Newman presents of Philadelphia may well be used to describe the housing plight of most of our cities:

This is the present situation—a phenomenal housing shortage, an increase in multiple occupancy, more families herded in single rooms than heretofore, cellar living insistent, a building program almost the largest in the city's history unable materially to reduce the shortage, a large population growth continuing unabated. . . . The housing shortage will affect Philadelphia anti-socially for many years to come, not only in the reaction upon family life resulting from rearing children under abnormal living conditions, but through the opportunity it presents to the rent gouger to ply his nefarious practice.

IS LOW-COST HOUSING POSSIBLE?

When it comes to the question of low-cost housing the report has some interesting things to say. For instance:

The Housing Association has been much interested in this problem. It does not admit that the small house cannot be built at a cost within the small wage-earner's income and it looks with uneasiness on the tendency to spread the propaganda of the higher priced house as the best that can be offered under present conditions. The gullibility of the public in accepting as a fact the unproved assertions that a lower priced house cannot be built under present conditions would be amusing were it not so serious. The seriousness of the unchallenged acceptance of this propaganda is that it restrains those who might proceed with construction from undertaking low-cost building, while it practically forces the buyers into believing they must buy at any price.

The association claims that houses can be built suitable for the average family and at a price within their means,

provided cheap building money is available, frills are omitted, and the builders are willing to take a modest profit.

The Housing Association has developed plans upon which bona fide construction bids have been received which show a cost of $2,650 to $2,800 per house in units of ten including the builder's profits of about $550. . . . With low financing costs and a small builder's profit, such houses can be built to rent at twenty-five dollars a month. . . .

This is one of the most striking statements in the report. The experience of most cities which have tried to see their way clear to build houses that can rent for twenty-five dollars a month have found it utterly impossible to do so. The Philadelphia Housing Association is certainly correct in stating that the tendency not only in Philadelphia, but in our other cities, has been to accept as a fact that it is impossible to build homes for people of very low income groups. There has been every evidence to substantiate

that belief. If the Philadelphia Housing Association is able to show concretely that it can build houses of four rooms with conveniences, to rent for twenty-five dollars a month, it will make a great contribution to the housing problem. Many people who have been grappling with this situation will be skeptical until it has been done.

BLEEKER MARQUETTE.

Tacoma Has Municipal Broom Plant.—For the past twenty years the city of Tacoma, Washington has been operating a municipal brush and broom factory.

This factory takes up all of the space in a twelve-by-fifteen-foot room in the city garage and storehouse at the municipal yards. Its operating force consists of one person, "Old Man" Johnson, as he is affectionately known. He has grown gray in the service of Tacoma. For thirty-four years he has served the city—and for the past twenty years he has made all of its brushes and brooms. He is the brains of the plant, and the power, too, for all of the machinery there he operates either with his foot or his hands. He says it's safer, and that he can turn out better products when setting his own speed. And it was quality, or rather the lack of it, that started Johnson, on his interesting and unique broom-making career.

It seems that twenty years ago the general run of brooms was below the standard of to-day. At that time Tacoma purchased a shipment of push-brooms for street cleaning. All but a dozen of them soon came apart when put into use. Johnson opined that he could make a better push-broom and he demonstrated that he could. He set to work and turned out a broom that had its fiber wired instead of glued, and with two holes in the head instead of one, so that it could be reversed, which gave it two lives instead of one. From this beginning the Tacoma city broom factory was evolved.

Should you visit this little plant you might note these articles among its many products: horse-brushes (souvenirs of the past, for, as the city departments are now motorized, they are no longer used); a nine foot power sweeper; floor brushes of horsehair; shop and warehouse brooms made of palm-leaves; house-brooms of broom corn; auto brushes of several models; narrow, short-handled brooms for sprinkling asphalt; floor brushes of bassine and tampico material; calcimine brushes; circular sewer brooms of steel wire, $3\frac{1}{2}$ feet in length and $7\frac{1}{2}$ to $23\frac{1}{2}$ inches in circumference, operated with cable and windlass; in short, the plant turns out every kind of brush, wire, fiber, or hair, the city has use for. Many of these brushes are Johnson's improvement over the original design, some his own invention and others from designs sent in by heads of departments, conceived to meet specific and unusual requirements.

This plant is one of numerous utilities operated under the city's department of public works, presided over by Commissioner H. Roy Harrison, and it is said to save the city money. All of the materials used are purchased through local jobbers, and if not up to standard they are turned back. A strict account is kept of expenditures for materials and labor, and, according to Storekeeper Monty, Tacoma gets its brooms approximately forty per cent cheaper than it would if it bought them ready-made—and they are every one of "Old Man" Johnson quality, which means that they last as long as the material in them lasts.

CHARLES W. GEIGER.

Commission Government Declared "Un-American."—Rahway, N. J., with a population of about 12,000, has had a commission form of government for six years, but has reverted by popular election to the mayor-council form. The form of government adopted consists primarily of the mayor, with a council of eleven made up of two members from each of five wards, and one member at large. The actual type of government was in reality a minor issue, the campaign being waged on personalities and "patriotism." The central point of attack was the existing mayor, James B. Furber, who had received the highest number of votes in the election of the commission of three and was designated as mayor according to custom. He had run as a Socialist and headed the department of public safety and public affairs. While in office he reorganized the police and fire departments, changing the latter from a volunteer to a paid basis; he succeeded in establishing municipal milk stations, in getting under way an extensive program of sidewalk construction, in publishing a municipal bulletin, and was the first to appoint women to the school board of five members. One of his two women appointees to the board was a Jewess. This and his selection of a Catho-

lic for chief of police were not popular in many quarters.

There was very little open campaigning for the proposed charter, although an organization known as the Loyal Citizens' Association held secret meetings. The local semi-weekly press contained charges of pacifism and radicalism against the mayor and the supporters of the existing form of government. The culminating accusation was that commission government is un-American; and all in favor of the change were urged to hang out American flags on election day. This was done, and some sixty automobiles were supplied by the opponents of the administration. The vote was 2,922 for the change, and 981 against. The night following election day brought several threatening demonstrations against the administration's supporters, but no actual violence occurred. On the following day the American Legion announced that it would start a petition to recall the mayor, but he has resigned in recognition of the expression at the polls.

The city manager form of government became an element in the campaign when the administration adherents suggested that if a change was desired they would support the commission-manager form. This, however, was repudiated as being no less un-American than the straight commission form.

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Three Million Persons Visit Manhattan Daily —Cost of Resultant Traffic Congestions.—The cost of street traffic congestion on Manhattan Island is estimated at $500,000 a day and the cost of congestion in the area known as the Region of New York and Its Environs is estimated at $1,000,000 a day in a report which was submitted in May to a conference of mayors, borough and village presidents, city engineers, and the representatives of business interests and civic organizations from the 411 communities in this region.

The report says that while no exact figures are available as to the cost of traffic congestion within the New York region, some idea of the probable losses may be secured by comparison with other communities where such estimates have been carefully made. After citing investigations indicating losses of $35,000 a day in Worcester, Mass., $100,000 a day in Cincinnati, and $200,000 a day in Chicago, it adds: "Judged by the total amount of traffic in these various communities compared with New York, it would seem safe to estimate the cost of congestion in Manhattan Island at $500,000 per day, and the cost in the whole Region at approximately $1,000,000 a day."

The investigations on which this report is based disclosed the striking fact that 2,849,600 persons and 223,450 vehicles enter Manhattan, south of 59th Street, during 24 hours on a typical business day. Of these 1,352,500 persons, or nearly half of Manhattan's daily visiting population, come from the Bronx, Westchester county and other points north of Manhattan; 1,116,900 persons, or 39 per cent come into Manhattan from Brooklyn and Queens; and 341,000 persons or 12 per cent come from New Jersey.

Of the quarter million visiting vehicles which daily contribute to Manhattan's congestion 132,800 or 59.4 per cent come from the Bronx and Westchester county; 57,940 or 25.9 per cent come from Brooklyn, Queens and the rest of Long Island, and 30,300 vehicles or 13.6 per cent come from New Jersey by ferries south of 59th Street.

A chart in the report shows how Manhattan-bound traffic, originating in Connecticut, New Jersey, upper New York state, Brooklyn and Queens, starts with a density of 500 vehicles or less per hour, steadily increases in density as it nears Manhattan, and finally pours into the city at the rate of 1,000 to 1,500 vehicles per hour, per road.

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Columbus, Georgia, Pleased with Manager Government.—The following editorial from the *Columbus Ledger* is self-explanatory:

That Columbus has made gratifying progress under commission-manager government the past two years is made plain by the annual audit just completed by the city auditor and placed in the hands of City Manager Richards.

In the list of assets there appeared $138,454 cash balance on hand, some of which had been invested in savings banks to draw interest. Other assets included the city's splendid waterworks system, its school buildings, modern hospital, city hall and other permanent improvements, which foot up a total of $4,432,599 more than all outstanding obligations.

This is a remarkable showing, one which is a genuine credit to the city, and it will be noted with pride by the people. It will be seen by comparative figures carried in the audit, that a deficit has been wiped out and a good big surplus is in the banks to the city's credit, notwithstanding the fact that permanent public

improvements have gone on, paving extensions and sewerage work being numerous and other improvements have been made in the interest of general betterments.

While assessments have gone up, which is a natural consequence of city growth and expansion—and in some instances they may be too high—at the same time the city tax rates have not been increased, and this fact stands out to the credit of those in authority, making their achievement all the more remarkable and gratifying.

The third year under commission-manager government is now well underway with brightest and most promising prospects facing Columbus. A near $400,000 vaiduct is to be erected by the Central of Georgia and other big developments, including mammoth investments on the Chattahoochee river above the city, are planned. The city has called for a bond election in May when the people will be asked to approve of a program for schools, sewers and other needed items totaling the sum of $900,000.

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Virginia's Youngest City Changes to the Manager Plan.—At a special election held in Hopewell, Virginia, May 9, the proponents of the city manager plan won out by a majority of fifteen votes out of a total of six hundred sixty-nine ballots cast in a bitterly contested election. Five councilmen will be elected for terms of four years, on June 10. This council will appoint a city manager to serve either at will or for a term of three years (under the Virginia law).

Hopewell is Virginia's youngest city, it having grown up around the big gun cotton plant of the du-Pont interests built in 1914 and 1915. Its charter was granted by the state assembly in 1916. After the war ceased, Hopewell slumped but the citizens and the du-Ponts got together in a successful drive for new industries, and the city now has approximately fifteen thousand people. It is entirely a manufacturing city. The climate is excellent and there is promised a great future.

No sooner were the ballots canvassed than all factions agreed to get together and elect five of the best men possible for the new government.

J. KENNETH MCCOTTER.[1]

[1] Member of Virginia Assembly.